API Well Number: 43013513660000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL

	1. WELL NAME and NUMBER Doug Chasel 4-7B2
2. TYPE OF WORK DRILL NEW WELL ◉ REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** BLUEBELL
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME**
6. NAME OF OPERATOR QUINEX ENERGY CORP	**7. OPERATOR PHONE** 801 292-3800
8. ADDRESS OF OPERATOR 465 South 200 West, Bountiful, UT, 84010	**9. OPERATOR E-MAIL** mike@quinexenergy.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Patented **11. MINERAL OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ○ FEE ◉	**12. SURFACE OWNERSHIP** FEDERAL ○ INDIAN ○ STATE ○ FEE ◉
13. NAME OF SURFACE OWNER (if box 12 = 'fee') John Chasel	**14. SURFACE OWNER PHONE (if box 12 = 'fee')** 435-229-3763
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 2285 Lucky John Dr., Park City, UT 84060	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') **18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ◉	**19. SLANT** VERTICAL ◉ DIRECTIONAL ○ HORIZONTAL ○

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	1287 FSL 987 FWL	SWSW	7	2.0 S	2.0 W	U
Top of Uppermost Producing Zone	1287 FSL 987 FWL	SWSW	7	2.0 S	2.0 W	U
At Total Depth	1287 FSL 987 FWL	SWSW	7	2.0 S	2.0 W	U

21. COUNTY DUCHESNE	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 987	**23. NUMBER OF ACRES IN DRILLING UNIT** 640
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1500	**26. PROPOSED DEPTH** MD: 13800 TVD: 13800
27. ELEVATION - GROUND LEVEL 5880	**28. BOND NUMBER** NZS499876	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** #43-12366 & 43-12367

CONFIDENTIAL

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	15	13.375	0 - 450	48.0	H-40 ST&C	8.4	Class G	260	1.15	15.8
SURF	12.25	9.625	0 - 4500	40.0	K-55 LT&C	8.9	Hi Lift "G"	500	3.82	11.0
							Class G	225	1.15	15.8
I1	8.75	7	0 - 10800	26.0	P-110 LT&C	11.0	Premium Lite High Strength	360	1.7	13.1
							Premium Lite High Strength	50	1.7	13.1
							Hi Lift "G"	160	3.82	11.0
							Hi Lift "G"	50	1.7	13.1
PROD	6.25	5	10500 - 13800	18.0	P-110 LT&C	14.0	Class G	210	1.5	15.6

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☑ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☐ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

NAME K. Michael Hebertson	**TITLE** Geologist	**PHONE** 801 292-3800
SIGNATURE	**DATE** 04/12/2012	**EMAIL** mike@quinexenergy.com

API NUMBER ASSIGNED
43013513660000

APPROVAL

Permit Manager

RECEIVED: May 17, 2012

QUINEX ENERGY CORPORATION

DRILLING PLAN
Doug Chasel 4-7B2
987' FWL, 1287' FSL SW1/4 SW1/4,
Section 7, T2S, R2W, USB&M
Duchesne County, Utah
Lease No: Chasel (Fee)
Bond Number: NZS499876

1 & 2 ESTIMETED TOPS ANTICIPATED OIL, GAS AND WATER ZONES

FORMATION	DEPTH	ZONE TYPE	MAX. PRESSURE
Duchesne River	Surface	Water	1,800.0 psi
Uinta Fm.	4,100'	Water & Gas	3,140.0 psi
Green River Formation	7,250'	Oil, Gas & Water	4,395.0 psi
Wasatch Transition	10,150'	Oil, Gas & Water	4,680.0 psi
Wasatch Formation	10,800'	Oil, Gas & Water	6,580.0 psi
Wasatch TD	13,800'	Oil, Gas & Water	

Max Pressure is figured as Hydrostatic .4331 pounds per square foot X Depth
The Wasatch is over pressured in this area of the field and pressures in excess of 6,580 psi are not uncommon therefore the pressure gradient has been figured at .51 for this formation

3. PRESSURE CONTROL EQUIPMENT

A 5" X 20" Rotating Head from Surface to 450'.
A 5M X 13 3/8" Rotating Head and BOP Stack and 5M Fill and Kill lines and Choke Manifold from 450' to 4,500'.
A 5M X 11" Rotating Head and BOP Stack and 5M Fill and Kill lines and Choke Manifold Blind & Pipe Rams, Mud Cross from 4,500' to 10,800'.
An 11" 10M BOP and 10M Fill and Kill lines and Choke Manifold, Blind & Pipe Rams, Mud Cross and 5M annular Rotating Head from 10,800 to 13,800'

The surface casing will be equipped with a flanged casing head of 5M psi working pressure. An 11.0" 5M BOP and 5M Annular preventer will be nippled up on the surface casing and tested to 250 psi low pressure test and 5M psi high pressure test prior to drilling out. The surface casing will be tested to 1,500 psi. The choke manifold equipment, upper Kelly cock and floor safety valves will be tested to 5M psi. The annular preventer will be tested to 250 psi low test and 2,500 psi high test or 50% of the rated working pressure.

The BOPE will be tested after running intermediate casing, after any repairs to the equipment and as required by OSHA regulations while drilling.

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The pipe and blind rams will be activated each time a trip is made, and the annular preventer will be activated weekly.

Weekly BOP tests will be held with each crew.

Other equipment will include:

a. Mud logger with gas monitor. On at 7,000'
b. Choke Manifold with one manual and one hydraulic operated choke
c. Full opening floor valve with drill pipe thread
d. Upper and lower Kelly Cock
e. Shaker, desander, desilter, and mud cleaner

See the attached diagrams:

4. CASING AND CEMENTING PROGRAM:

Casing:
Conductor: Hole Size= 15" Casing Size= 13 3/8"
450'+/- 13 3/8 H40 48.00 lb

Surface: Hole Size= 12 1/4" Casing Size= 9 5/8"
4,500' +/- 9 5/8" 40# K55 LTC New API ERW Casing.
Notes: API setting depth for collapse is 7,790' +/- the safety factor
Tension with Long Couplings is 56,100 lbs +/- (SF)
Standard Mill Test: 3,090 psi.
80% min Yield Test: 3,600 psi.
Drift Diameter: 8.679
Coupling OD of 7" is 7.390"

Intermediate: Hole Size= 8 ¾" Casing Size= 7"
10,800' 7" 26# P110 LTC New Seamless API Casing.
Notes: API Setting depth for Collapse is 14,810' + 1.8 (SF)
Tension with Long Couplings is 69,300 lbs +/- (SF)
Standard Mill Test: 9,100 psi.
Ultimate Yield: 12,930 psi
Drift Diameter: 6.151
Coupling OD: of 5" Flush Joint is 5.360

Production
10,500-13,800' (3,300') 5" 18# P110 Liner, New Seamless API Casing with Flush Joint Premium Coupled Buttress Lock Thread™
Notes: API setting depth for Collapse is 13,470' + SF
Tension w/ Long Coupling is 58,700' + SF
Standard Mill Test: 10,000 psi
Ultimate Yield: 13,940 psi

Description: CBL Casing Connection is a premium connection based on API BTC standard with the addition of a torque shoulder and metal to metal seal. The result is a cost effective connection ideal for use in horizontal or slant wells bores typically used in Shale formations. The torque shoulder provides consistent make-ups and eliminates down hole over-rotation. The metal to

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metal seal is designed to provide the primary seal while minimizing galling. CBL is interchangeable with BTC accessories.

Cement Program:

Conductor will be 13 3/8 H40 48.00 lb casing set to 450' cemented to surface with sufficient redi-mix to bring the cement to surface**.**

1. **9 5/8 Surface Casing**
   TD 4500 ft
   Hole Size 12 ¼ in
   Casing Size 9 5/8 in
   Tail Cement 4500 ft to 4000
   Tail Cement excess 50 %
   Lead Cement 4000 ft to surface
   Lead Cement excess 50 %

   Premium Hifill cmt 500 sks 11.0 #/gal 3.82 cuft/sk 23 gal/sk
   Premium V cmt 100 % (BWOC)
   Gel 6 % (BWOC)
   Gilsonite 10 #/sk
   Gr3 3 #/sk
   Salt 3 % (BWOC)
   Flocele ¼ #/sk

   Premium G Cmt 225 sks 15.8 #/gal 1.15 cuft/sk 5.0 gal/sk
   Premium G Cmt 100 % (BWOC)
   Calcium Chloride 2 % (BWOC)
   Flocele ¼ #/sk

   Topout: Premium G Cmt 125 sks 15.8 #/gal 1.15 cuft/sk 5.0 gal/sk
   Premium G Cmt 100 % (BWOC)
   Calcium Chloride 2 % (BWOC)
   Flocele ¼ #/sk

2. **7 in Casing**
   TD 10500 ft
   Hole Size 8 ¾ in
   Casing Size 7 in
   1st stage
   Tail Cmt Coverage 10500ft to 7000 ft
   Tail Cmt Excess 15 %
   2nd stage
   Lead Cmt Coverage 7000 ft to 3500
   Lead Cmt Excess 15 %
   Tail cmt across stage tool 50 sks

   1 s t Stage: Cmt Prem. Lite 360 sks 13.1 #/gal 1.70 cuft/sk 7.7 gal/sk

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Premium G Cmt 65 % (BWOC)
Poz 35 % (BWOP)
Gel 6 %
Salt 10 % (BWOW)
Gilsonite 10 #/sk
CFL 115 .2 %
Flocele ¼ # /sk

2 nd Stage: Premium Hifill cmt 160 sks 11.0 #/gal 3.82 cuft/sk 23 gal/sk
Premium V cmt 100 % (BWOC)
Gel 6 % (BWOC)
Gilsonite 10 #/sk
Gr3 3 #/sk
Salt 3 % (BWOC)
Flocele ¼ #/sk
Cmt Prem. Lite 50 sks 13.1 #/gal 1.70 cuft/sk 7.7 gal/sk
Premium G Cmt 65 % (BWOC)
Poz 35 % (BWOP)
Gel 6 %
Salt 10 % (BWOW)
Gilsonite 10 #/sk
CFL 115 .2 %
Flocele ¼ # /sk

3. **5" Liner**
TD 13800 ft
Hole Size 6 ¼
Intermediate Casing @ 10500 ft
Cement Coverage 13800 ft to 10400 ft
Cement Excess 20 % (Gauge Hole)

Premium G Cmt 210 sks 15.6 #/gal 1.50 cuft/sk 6.6 gal/sk
Premium G Cmt 100 %
Silica Flour 35 % (BWOC)
CDI 33 .6 %
CFL 175 .2 %
H T Retarder .2 %
Flocele ¼ # /sk

Cement volumes will be calculated from the open hole logs whenever possible. All casing strings will be cemented to surface or at least 100' up into the previous casing string.

5. MUD PROGRAM:

INTERVAL	MUD TYPE	WEIGHT	
Surface	Water & gel	8.5 to 8.9	PPG
Intermediate	Water, Gel & Weight as needed	8.9 to 11	PPG
Production	Water, Gel & Weight as needed	11 to 14	PPG

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Anticipated mud weights and lost circulation zones are based on offsetting wells and drilling data. Mud weights may be higher than projected, depending on actual zones encountered during drilling.

Visual mud monitoring equipment will be utilized along with a pit volume monitor and alarm.

Sufficient mud inventory will be maintained on location during drilling operations to handle any adverse conditions that may arise.

6. LOGS

Open Hole logs from Surface to base of intermediate and from base of the intermediate to TD @ 13,800'
Gamma Ray, Density Neutron, Resistivity, and Sonic or platform express.
Mud Log from 7,000' to TD.

7. VARIANCE REQUESTS:

None

8. ABNORMAL CONDITIONS

A corrosive water zone in the well may be encountered at a depth of 3,200' to 4,800' that compromises the integrity of the pipe after 15-20 years. Extra precaution will be taken to set casing and cement across this zone.

There are abnormal conditions that may be experienced in the bottom hole portion of the well from 10,000' to TD these conditions have been planned for in the design of the well and the mud program while drilling.

9. OTHER

No chemicals subject to reporting under SARA III in an amount to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually with the drilling of this well, Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold quantities, will be used, produced, stored, transported or disposed of in association with the drilling of this well.

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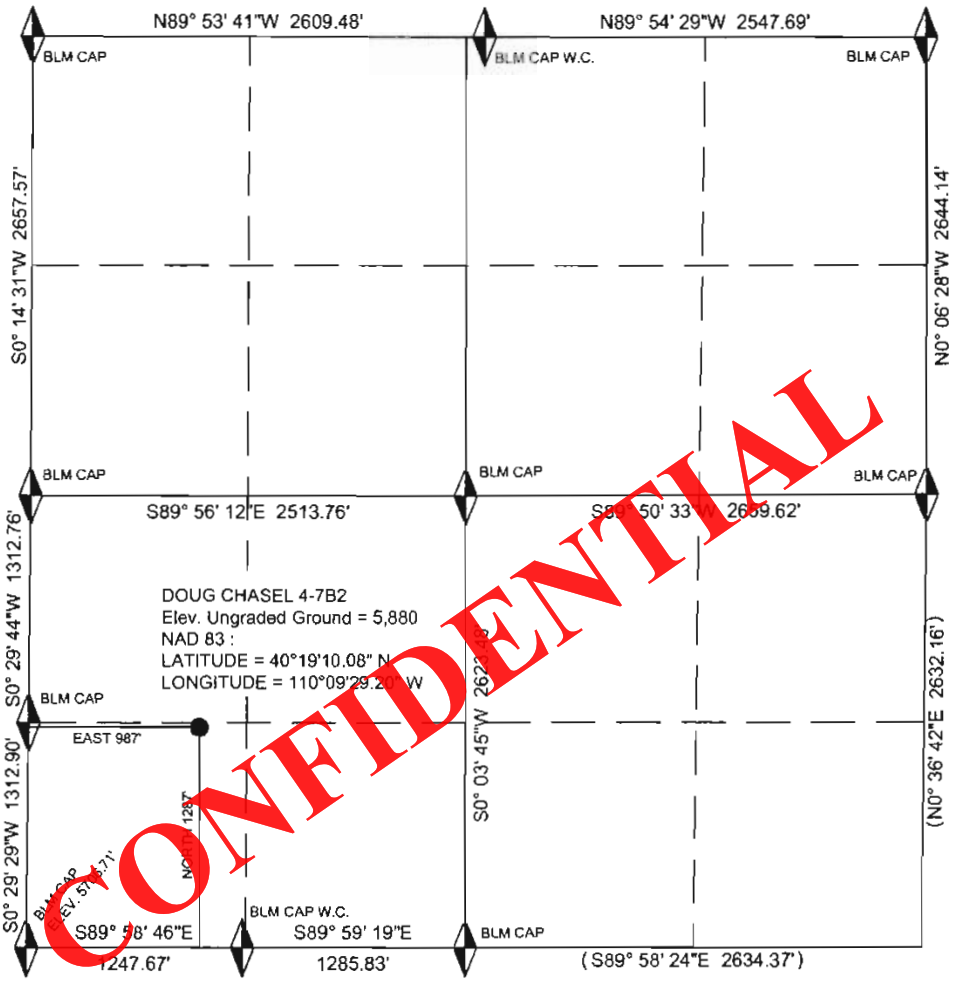
SECTION 7, T2S, R2W, USB&M



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM THE FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

PROFESSIONAL LAND SURVEYOR
Dan E. Knowlden Jr.
7173588
STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION NO. 7173588
STATE OF UTAH

LEGEND AND NOTES

- FOUND SECTION CORNER
- PROPOSED WELL HEAD
- ( ) CALCULATED DATA

THE GENERAL LAND OFFICE G.L.O. PLAT WAS USED FOR REFERENCE

THIS SURVEY WAS PERFORMED USING GLOBAL POSITIONING SYSTEM PROCEDURES AND EQUIPMENT.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 7, T2S, R2W, U.S.M. NAVD 88 DATUM USING THE UTAH REFERENCE NETWORK SYSTEM. SAID ELEVATION IS MARKED AS BEING 5706.71 FEET.

0 500 1000
HORIZONTAL

QUINEX ENERGY CORP.
DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

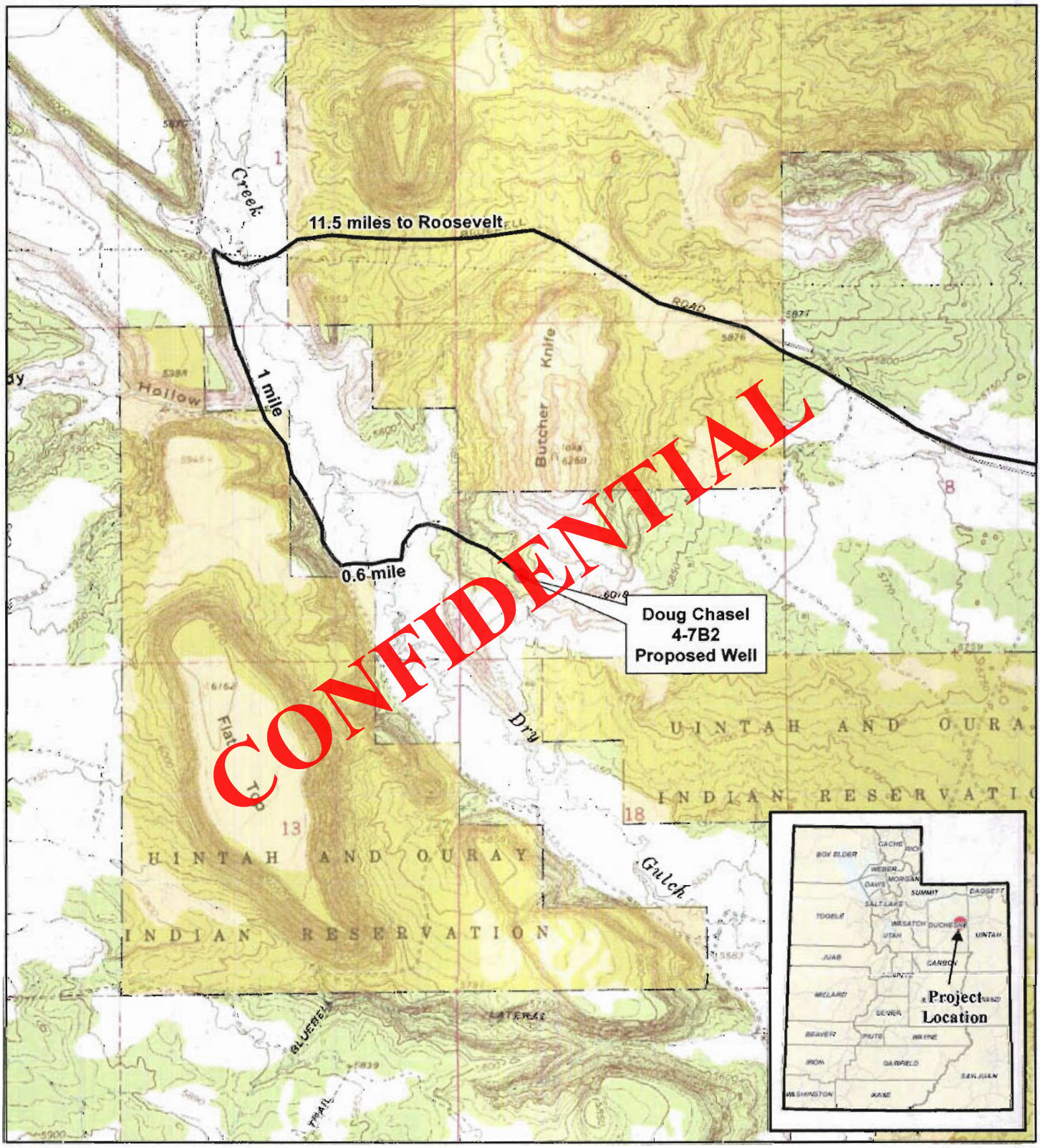
OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

WELL PLAT

DATE SURVEYED: FEBRUARY 10, 2012
SURVEYED BY: DEK, CCW
DRAWN: FEBRUARY 18, 2012
SCALE: 1" = 1000'
DRAWN: DEK

SHEET NO. 1

RECEIVED: April 12, 2012



Legend

- Proposed Well
- Access Road
- Tribal

USGS 7.5' Bluebell Quadrangle

OUTLAW ENGINEERING INC.

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

ACCESS ROAD	MARCH 2012	SHEET B
	SCALE: 1:24,000	
	1 INCH = 2,000 FEET	

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AFFIDAVIT OF SURFACE USE AGREEMENT FROM LESSEE/OPERATOR

STATE OF UTAH)
:ss
COUNTY OF DAVIS)

QUINEX ENERGY CORPORATION

Doug Chasel 4-7B2
987' FWL, 1287' FSL SW1/4 SW1/4,
Section 7, T2S, R2W, USB&M
Duchesne County, Utah
Lease No: Chasel (Fee)

I, K. Michael Hebertson, President for Quinex Energy Corporation, hereby certify to the Utah Division of Oil, Gas and Mining that I have obtained an executed Surface Use and Access Agreement as reflected below.

A. A Surface Use and Access Agreement is in place with the following entity on the above described lands:
John D. Chasel
2285 Lucky John Dr.
Park City, Utah 84060
435-229-3763

B. Quinex Energy Corporation executed the agreement March 28, 2012. The Surface Use and Access Agreement is an "all inclusive" agreement for the well pad including all facilities, access road and pipeline corridors and further provides Quinex Energy Corporation with access to the SW1/4 SW1/4, Section 7, T2S, R2W, USB&M

Dated this 28th Day of March, 2012.

K. Michael Hebertson
K. Michael Hebertson - President

SUBSCRIBED TO AND SWORN before me this 28th day of March 2012.

STACEY H. BOWDIDGE
Notary Public, State of Utah
Commission #577688
My Commission Expires
Feb. 5, 2013

Stacey H. Bowdidge
Notary Public
Residing in Buntiful

My Commission expires:

2-5-2013

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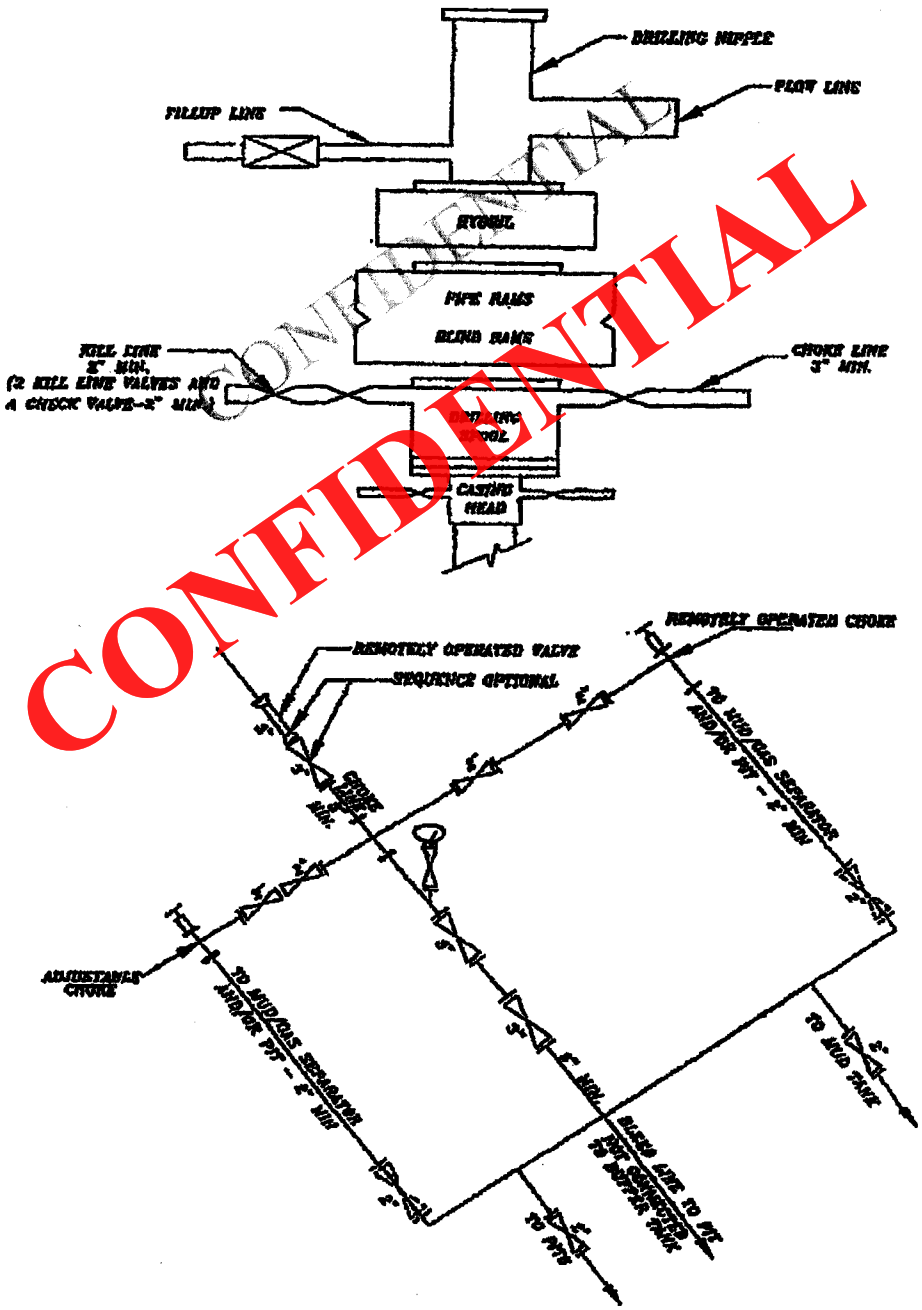
5M BOP STACK and CHOKE MANIFOLD SYSTEM



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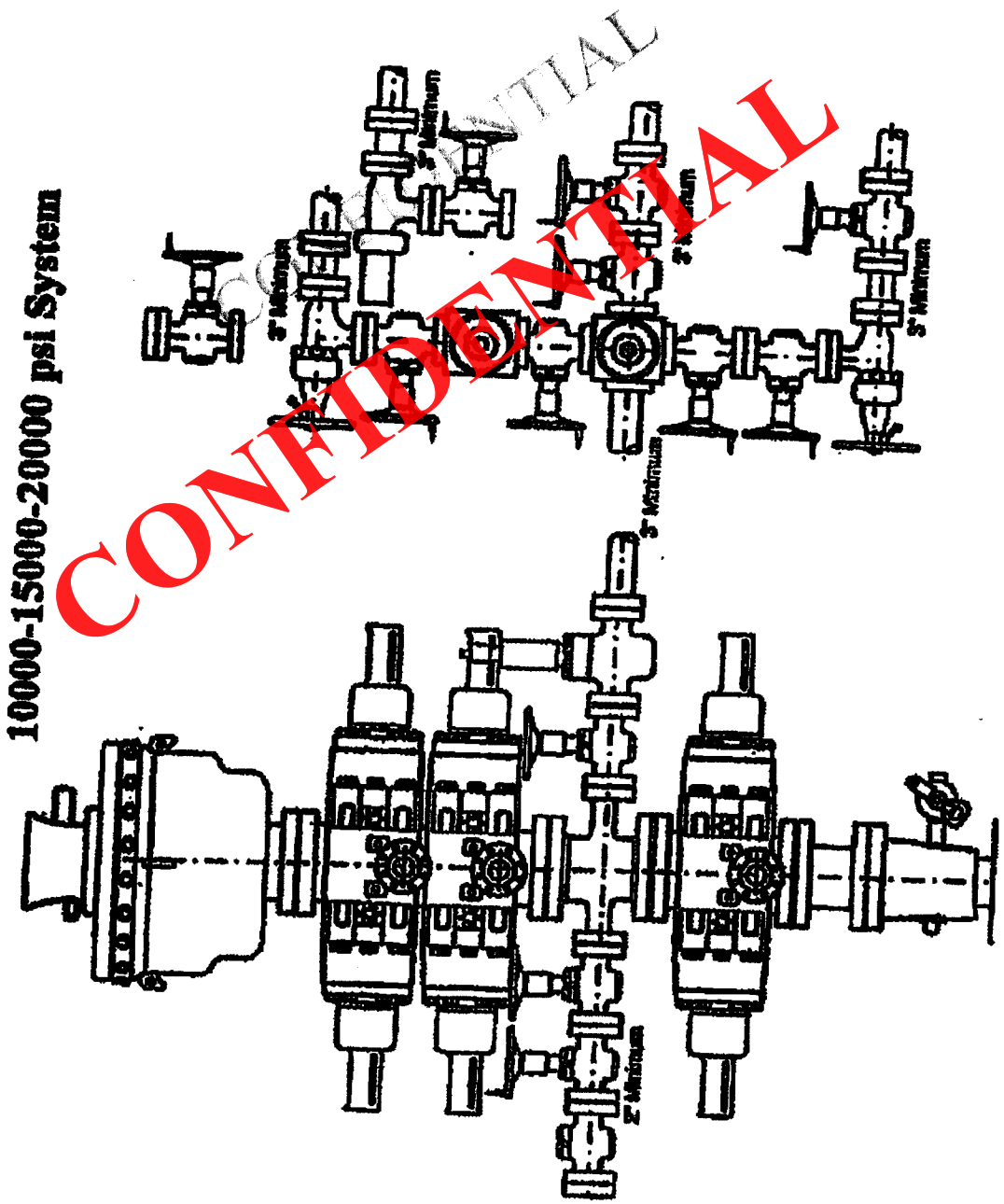

QUINEX ENERGY CORPORATION

SURFACE USE PLAN

Doug Chasel 4-7B2
987' FWL, 1287' FSL SW1/4 SW1/4,
Section 7, T2S, R2W, USB&M
Duchesne County, Utah
Lease No: Chasel (Fee)
Bond Number: NZS499876

PRESITE INSPECTION:
The onsite inspection for the subject well site will be conducted as scheduled by the State of Utah Division of Oil, Gas & Mining.

ATTENDEES:
Paul Wells Representing the Surface Owner
Mike Hebertson Quinex Energy
Don Hamilton Buys & Associates
John Chasel Surface Owner
Oil, Gas & Mining

1. EXISTING ROADS
A. The proposed well site is located approximately 13.1 miles west of Roosevelt, Utah.
B. Directions to the location from Roosevelt, Utah are as follows:
Proceed west from the junction of US 40 and State Road 121 in Roosevelt, to the junction of State Road 121 and 200 north continue west until the road turns north into Hancock Cove the total distance is about 3 miles. Continue north on State Road 121 1.5 miles and turn left on the road to Bluebell. Continue west from the junction 7 miles and turn left onto the road on the west side of Dry Gulch. One mile from the junction of the Bluebell Highway and Dry Gulch the road will turn left across the creek and continue easterly to the well.
C. Four tenths of a mile of new road will be required to access this location. Permits and Rights-of-Way will be obtained prior to construction.
D. For location of access roads within a 1 Mile radius, see Map A & Sheet 1.
E. Improvement to existing main roads will not be required.
F. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
G. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency will be maintained in accordance with the standards of the managing agency.

2. PLANNED ACCESS ROADS
A. There will be 0.4 (2,119') miles of new access to be constructed.
B. The maximum grade will not exceed 6%.
C. No turnouts are planned.
D. Culverts will be installed where necessary. No low water crossings will be required.
E. The access road was centerline surveyed at the time of staking.
F. The use of surfacing material will be the same as those used to build the location

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G. A cattle guard and a gate will be installed if required, and the location and road will be fenced as required by the surface owner and if security issues become a problem.
H. Surface disturbance and vehicular travel will be limited to the approved location and approved access route.
I. Access roads and surface disturbing activities will conform to standards set forth by the Surface Owner and Duchesne County.
J. The road will be constructed to meet the standards of the anticipated traffic flow and all weather road requirements. Construction will include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road will be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings will be of the typical dry creek drainage crossing type or with culverts. Crossings will be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor will the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water will be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading will not be allowed during muddy conditions. Should mud holes develop, they will be filled in and detours around them avoided.
K. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
L. No road rights-of-way will be necessary since all new access is within the lease boundary.

3. **EXISTING WELLS WITHIN A 1 MILE RADIUS OF THE PROPOSED WELL (See Map)**
A. Water Wells: 1 Permit No. 43-12310 in the SE ¼ Underground 8 inch well 300’ deep
B. Injection Wells: 0
C. Producing Wells: 4
D. Drilling Wells: 0
E. Shut-In Wells: 0
F. Temp Abandoned: 0
G. Disposal Wells: 0
H. P&A Wells 3
See the attached plats from State Data Bases

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES
A. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted to blend with the landscape probably Desert Tan or similar. All facilities will be painted within six weeks of installation.
B. Storage facilities such as tank batteries will be constructed on this lease the facility and the well pad will be surrounded by a containment berm and the Battery itself will have its own berm of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility unless more stringent protective requirements are deemed necessary by the authorized officer.
C. If production is established, a production facility diagram will be submitted via Sundry Notice.
D. All loading lines will be placed inside the berm surrounding the location.
E. Gas meter runs for the well will be located on lease. The gas flow line will be surface laid and anchored down from the wellhead to the separator. Meter runs will be housed.
F. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any sale being made. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter.

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G. Any necessary pits will be properly fenced to prevent any wildlife entry.
H. All site security guidelines will be adhered to.
I. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
J. The road will be maintained in a safe useable condition.
K. Produced water will be stored in a 500 bbl heated insulated tank. Water will be hauled to a commercial disposal site.
L. Pipelines will follow the established roads shown on Map 10 & 12 to a point where they intersect the county road. From there to the tie-in point with the gas gathering system and the power line

5. LOCATION AND TYPE OF WATER SUPPLY
A. Water will be purchased from Marvin Hamacker under permits 43-12366 or 43-12367
B. Water will be hauled by truck to the location over the access roads
C. No water well will be drilled on this lease.

6. SOURCE OF CONSTRUCTION MATERIAL
A. Surface and subsoil materials in the immediate area will be utilized where possible.
B. Any gravel used will be obtained from a commercial source.
C. Construction material is not available on lease.

7. METHODS OF HANDLING WASTE DISPOSAL
A. The reserve pit will be constructed so as not to leak, break, or allow discharge.
B. The reserve pit will require blasting to obtain sufficient depth and a 12 mil liner will be required. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overtop the pit walls and be covered with dirt or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.
C. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal site.
D. During the testing period produced waste water will be confined to the reserve pit and will be removed by vacuum truck when the well goes on production. Produced water will be disposed of at a State approved facility.
E. Drill cuttings are to be contained and buried in the reserve pit, and the liner will be folded in over the cuttings after they are dried out. The pit and cuttings will be buried 3 to 4 feet deep and re-vegetated to hold the soils in place after completion work is finished. All unused portions of the location and shoulders of the access road will be vegetated for soil control purposes. If required a siltation fence will be installed at the toe of the fill slopes to control erosion until new plant growth can be established.
F. Any salts or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
G. A chemical portable toilet will be furnished with the drilling rig.
H. The produced fluids will be produced into the reserve pit until such time as construction of production facilities is completed. Any spills of oil, fuel, salt water or other produced fluids will be cleaned up and removed.

8. ANCILLARY FACILITIES
There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. WELL SITE LAYOUT
A. The operator or an authorized representative will contact the DOGM Twenty four (24) hours prior to construction of location and access.

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B. The reserve pit will be located on the more easterly side of the location.
C. The flare pit will be located on the south side of the reserve pit, a minimum of 100 feet from the well head.
D. The stockpiled topsoil (first six inches) will be stored on the north east and south side of the location. Topsoil along the access route will be wind rowed on the uphill side.
E. Access to the well pad will be from the north and west as shown on the Pit & Pad Layout sheet 2.
F. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
G. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles are shown on the Location Layout and are more or less standard for the drilling rig that will be used to drill this well.
H. All pits will be fenced according to the following minimum standards:
1. Wire net fence will be used with at least one strand of barbed wire on top of the wire net.
2. The wire net will be no more than 2 inches above the ground. The barbed wire will be 3 inches above the wire net. Total height of the fence wiall be at least 42 inches.
3. Corner posts will be braced in such a manner to keep the fence tight at all times.
4. Standard steel or pipe posts will be used between the corner braces.
5. Maximum distance between any two posts will be no greater than 16 feet.
6. All wire will be stretched, by using a stretching device, before it is attached to the corner posts.
J. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Surface Restoration
A surface use agreement will be executed with John Chasel prior to commencement of drilling.

Producing Location:
A. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
B. Upon completion all hydrocarbons on the pit will be removed.
C. The pit liner is used it will be torn and perforated before backfilling of the reserve pit.
D. The reserve pit and that portion of the location not needed for production facilities or operations will be re-contoured to the approximate natural contours. The reserve pit will be reclaimed within one year from the date of well completion. Before any dirt work takes place, the reserve pit will have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
E. Reclamation of unused disturbed areas on the well pad and access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding. Seeding will be performed within a year after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.
F. The topsoil stockpile will be seeded as soon as the location has been constructed with the recommended seed mix. The seed will be walked in with a cat.

11. Interim Surface Reclamation
A. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
B. Before any dirt work associated with location restoration takes place, the reserve pit will be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
C. If a synthetic, nylon reinforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit.

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Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.
D. The reserve pit will be reclaimed within one year from the date of final well completion, weather permitting.
E. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be spread up to the rig anchor points, excluding the area needed for production and storage facilities and everyday production operations. Reseeding, using appropriate reclamation methods, will occur immediately following the spreading of topsoil, weather permitting.
F. Access Roads: The majority of the access roads are maintained by the County Road Department.
G. Well pad.

12. Dry Hole
A. At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and DOGM will attach the appropriate surface rehabilitation conditions of approval and full restoration of the location and access road will be completed as required by the State of Utah.

13. OTHER INFORMATION
A. Cultural and archeological surveys have **NOT** been conducted. This is Fee Surface and Minerals.
B. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or Archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized agency to confirm through the State Historic Preservation Officer if mitigation is required. Upon verification from the AO the State Historic Preservation Officer that the required mitigation has been completed, the operator will then be allowed to resume construction.
C. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities.

Notifications:
Location Construction Twenty four (24) hours prior to construction of location and access
Location Completion Twenty four (24) hours prior to construction of location and access
Spud Notice Twenty four (24) hours prior to construction of location and access
Casing String and Cementing Twenty four (24) hours prior to construction of location and access
BOP and Equipment Tests Twenty four (24) hours prior to construction of location and access
First Production Notice Thirty days after First Sales

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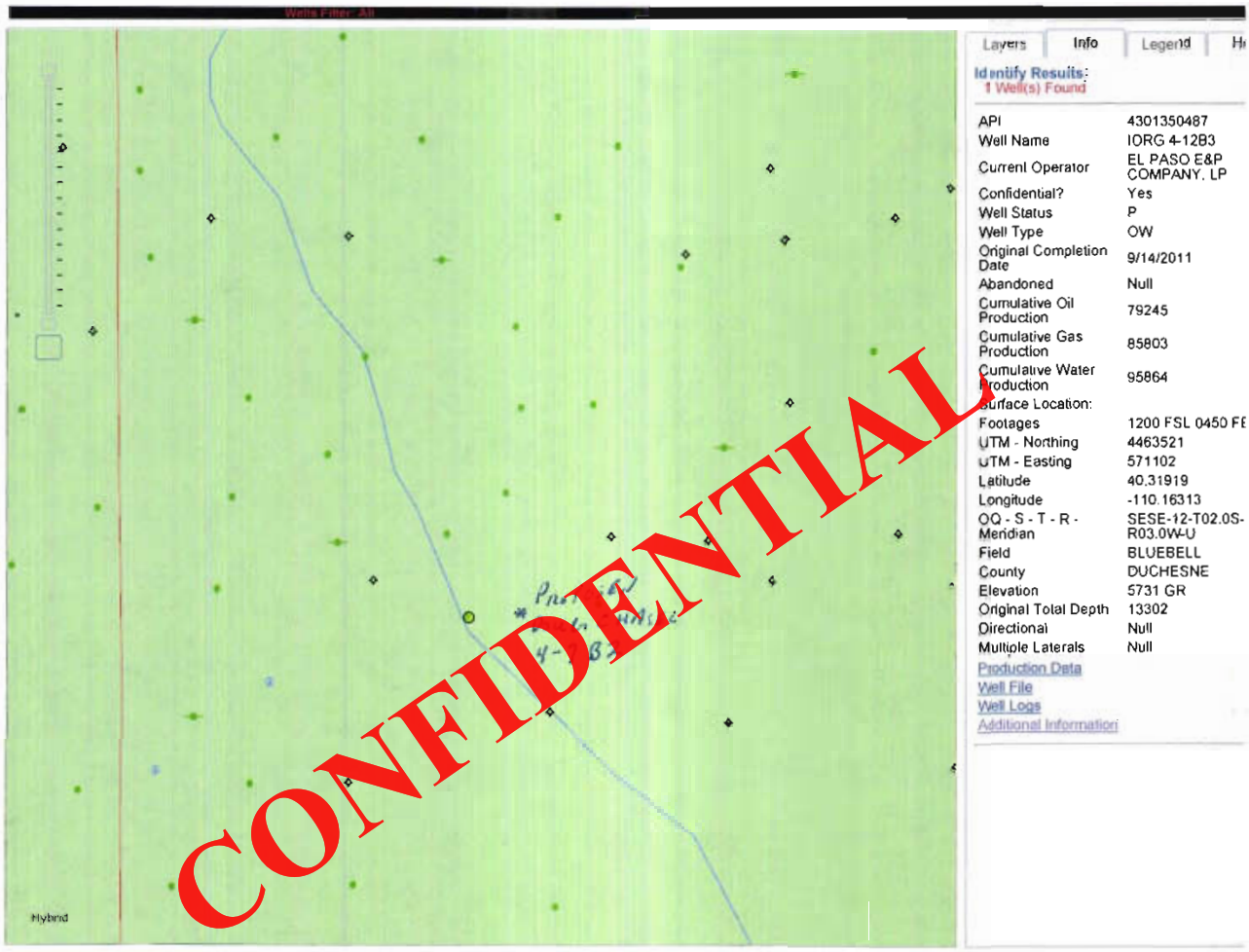
Utah Oil and Gas Map



RECEIVED: April 13, 2012

Search of TOWNSHIP = '2S' and RANGE = '2W' and SECTION_NO = '07' and BEM = 'US'

WR Number	Diversion Type	Well Log	Location	Status	Priority	Uses	CFS	ACFT	Owner Name
43-12310	Underground	434809	N1200 W180 SE 07 2S 2W US A		20100405	DIS	0.000	1.480	ADAM FOSTER

RECEIVED: April 13, 2012

Select Related Information

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 03/20/2012

WATER RIGHT: **43-12310** APPLICATION/CLAIM NO.: **A78802** CERT. NO.:

OWNERSHIP**********

NAME: Adam Foster
ADDR: 1311 East Claybourne Ave
Salt Lake City, UT 84106

DATES, ETC.**********

LAND OWNED BY APPLICANT? Yes COUNTY TAX ID#: 00-0014-4794
FILED: 04/05/2010|PRIORITY: 04/05/2010|PUB BEGAN: 04/13/2010|PUB ENDED: 04/20/2010|NEWSPAPER: Uintah Basin Standard
ProtestEnd:05/10/2010|PROTESTED: [No]|HEARNG HLD: |SE ACTION: [Approved]|ActionDate:05/13/20[illegible]|PROOF DUE: 05/31/2015
EXTENSION: |ELEC/PROOF:[ ]|ELEC/PROOF: |CERT/WUC: |LAP, ETC: |APP LETTER:
RUSH LETTR:04/05/2010|RENOVATE: |RECON REQ: |TYPE: [ ]|50YR DATE: [illegible]/2060
PD BOOK: [43-]|MAP: [ ]|PUB DATE:
*TYPE -- DOCUMENT -- STATUS----------
Type of Right: Application to Appropriate Source of Info: Application to Appropriate Status: Approved

LOCATION OF WATER RIGHT***(Points of Diversion: Click on Location to access PLAT Program)*********MAP VIEWER***GOOGLE VIEW*

FLOW: 1.48 acre-feet SOURCE: Underground Water
COUNTY: Duchesne COMMON DESCRIPTION: 7 miles Northwest Roosevelt

POINT OF DIVERSION -- UNDERGROUND: (Click Well ID# link for more well info.)
(1) N 1200 ft W 180 ft from SE cor, Sec 07, T 2S, R 2W, USBM
DIAMETER OF WELL: 8 ins. DEPTH: 300 to ft. YEAR DRILLED: WELL LOG: No WELL ID#: 434809

USES OF WATER RIGHT******** *ELU -- Equivalent Livestock Unit (cow, horse, etc.) ******** EDU -- Equivalent Domestic Unit or 1 Family*

SUPPLEMENTAL GROUP NO.: 630402.

IRRIGATION: 0.25 acres Div Limit: 0.0 acft. PERIOD OF USE: 04/01 TO 10/31
STOCKWATER: 10.0000 Stock Units Div Limit: PERIOD OF USE: 01/01 TO 12/31
DOMESTIC: 1.0000 EDUs Div Limit: PERIOD OF USE: 01/01 TO 12/31

###PLACE OF USE:	NORTH WEST QUARTER				NORTH EAST QUARTER				SOUTH WEST QUARTER				SOUTH EAST				
	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE			
Sec 07 T 2S R 2W USB																	GROUP

SEGREGATION HISTORY**********

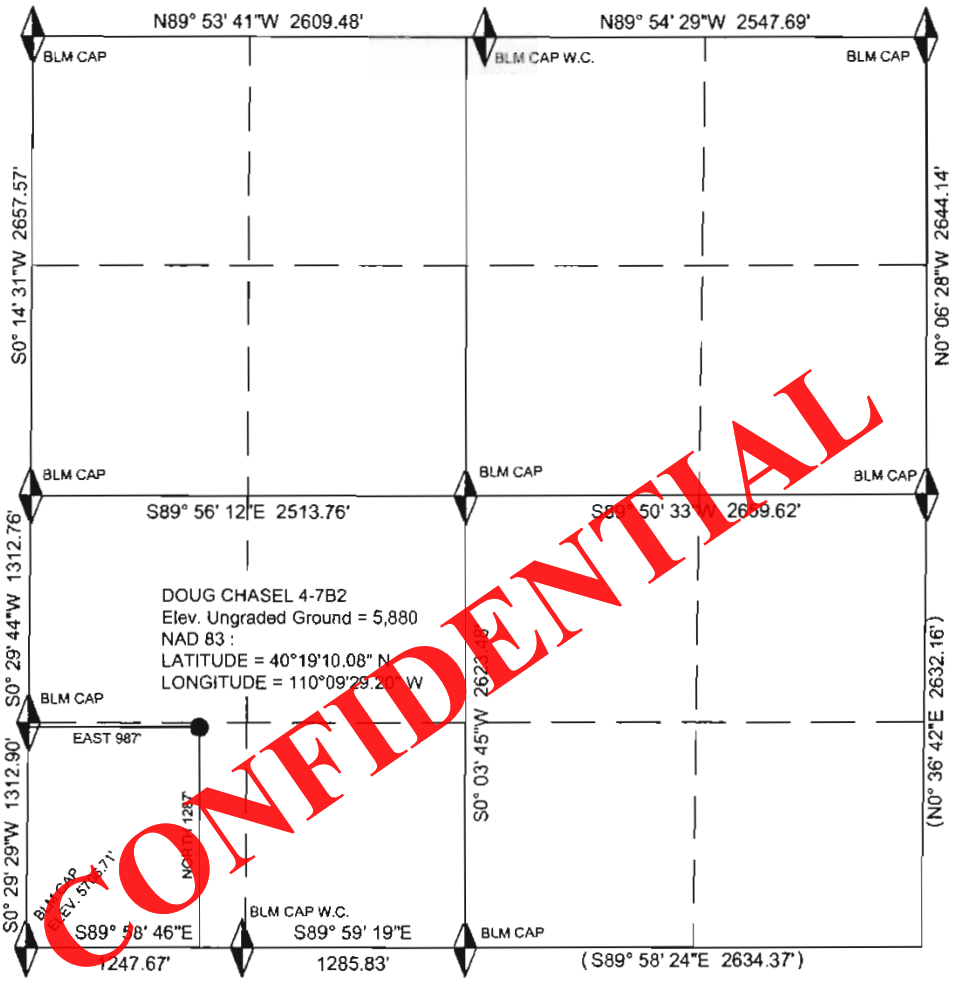
This Right as originally filed:

FLOW IN CFS	QUANTITY IN ACRE-FEET	WATER USES: IRRIGATED ACREAGE	STOCK (ELUs)	DOMESTIC (FAMILIES)	MUNICIPAL	MINING	POWER	OTHER
	1.48	0.2500	10.0000	1.0000				

**********END OF DATA**********

RECEIVED: April 13, 2012

SECTION 7, T2S, R2W, USB&M



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM THE FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

PROFESSIONAL LAND SURVEYOR
Dan E. Knowlden Jr.
7173588
STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION NO. 7173588
STATE OF UTAH

LEGEND AND NOTES

- FOUND SECTION CORNER
- PROPOSED WELL HEAD
- ( ) CALCULATED DATA

THE GENERAL LAND OFFICE G.L.O. PLAT WAS USED FOR REFERENCE

THIS SURVEY WAS PERFORMED USING GLOBAL POSITIONING SYSTEM PROCEDURES AND EQUIPMENT.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 7, T2S, R2W, U.S.M. NAVD 88 DATUM USING THE UTAH REFERENCE NETWORK SYSTEM. SAID ELEVATION IS MARKED AS BEING 5706.71 FEET.

0 500 1000
HORIZONTAL

QUINEX ENERGY CORP.
DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

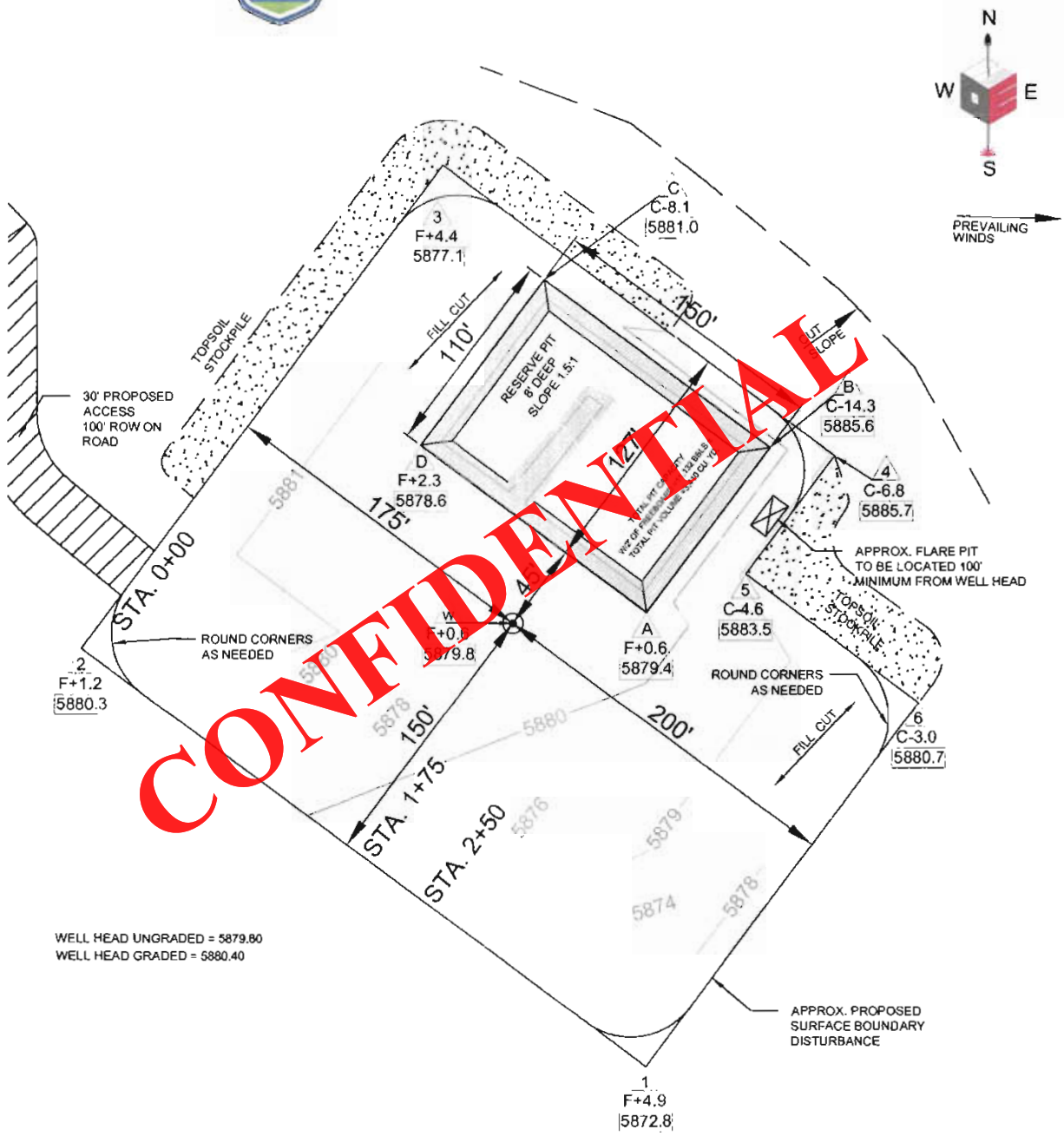
WELL PLAT

DATE SURVEYED:	FEBRUARY 10, 2012
SURVEYED BY:	DEK, CCW
DRAWN:	FEBRUARY 18, 2012
SCALE:	1" = 1000'
DRAWN:	DEK

SHEET NO. 1

RECEIVED: April 13, 2012

QUINEX ENERGY CORPORATION
DOUG CHASEL 4-7B2



LEGEND
= PROPOSED WELL LOCATION
= EXISTING CONTOURS
= PROPOSED CONTOURS

SUMMARY

EXISTING GRADE @ CENTER OF WELL= 5879.77'
FINSIH GRADE ELEVATION =5880.35'
CUT SLOPES = 1.5 : 1
FILL SLOPES = 1.5 : 1
TOTAL WELL PAD AREA = 2.56 ACRES
TOTAL DISTURBED AREA = 2.91 ACRES

QUANTITIES
TOTAL CUT = 8,014.79 CU. YD.
TOTAL FILL = 6,479.17 CU. YD.
TOPSOIL AT 6" DEPTH = 2,067.87 CU. YD.
EXCESS MATERIAL = 1535.62 CU. YD.
*all quantities include reserve pit plus 2' of freeboard

OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)

QUINEX ENERGY CORPORATION
DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

PAD/PIT GRADING

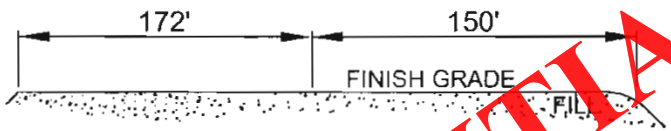
SURVEYED: 2/10/2012
DRAWN: 2/18/2012
SCALE: 1" = 80'
DESIGN: RF DRAWN: JCR

SHEET NO. 2

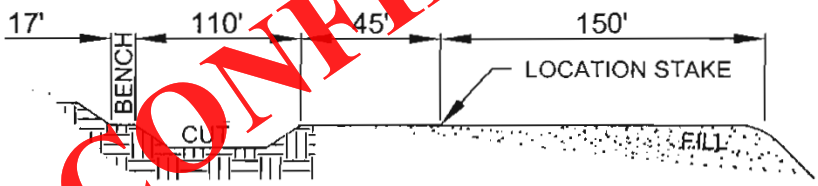
RECEIVED: April 13, 2012

DOUG CHASEL 4-7B2

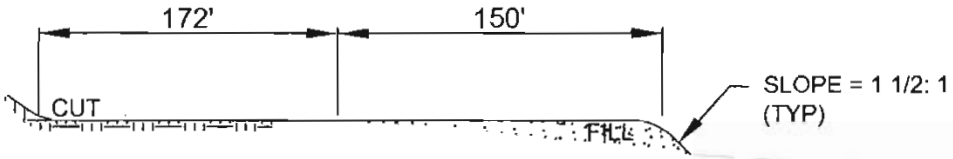
QUINEX ENERGY CORPORATION



STA. 0+00



STA. 1+75



STA. 2+50

LEGEND

= PROPOSED WELL LOCATION

= EXISTING CONTOURS

= PROPOSED CONTOURS

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QUINEX ENERGY CORPORATION

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

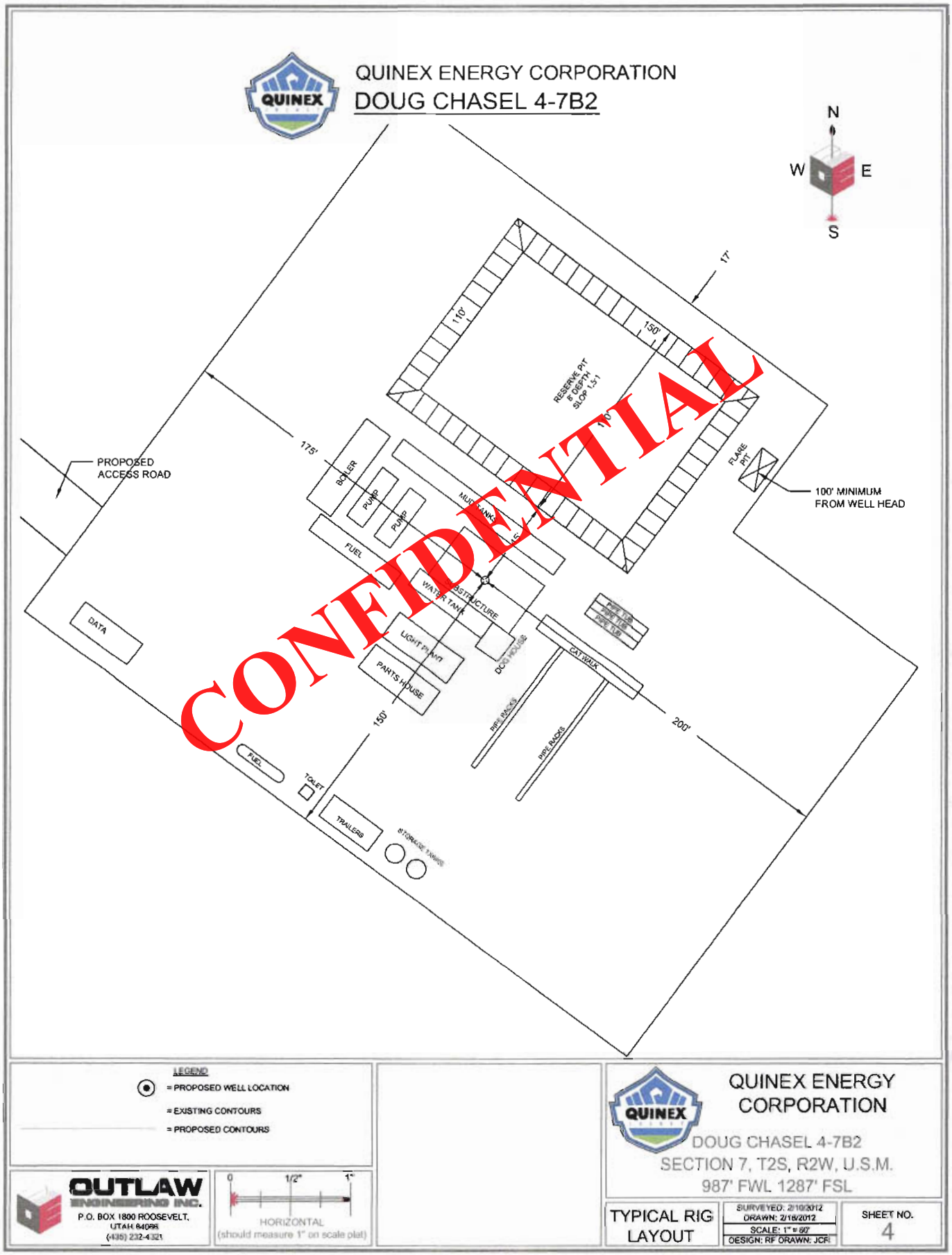
0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)

SECTION VIEWS

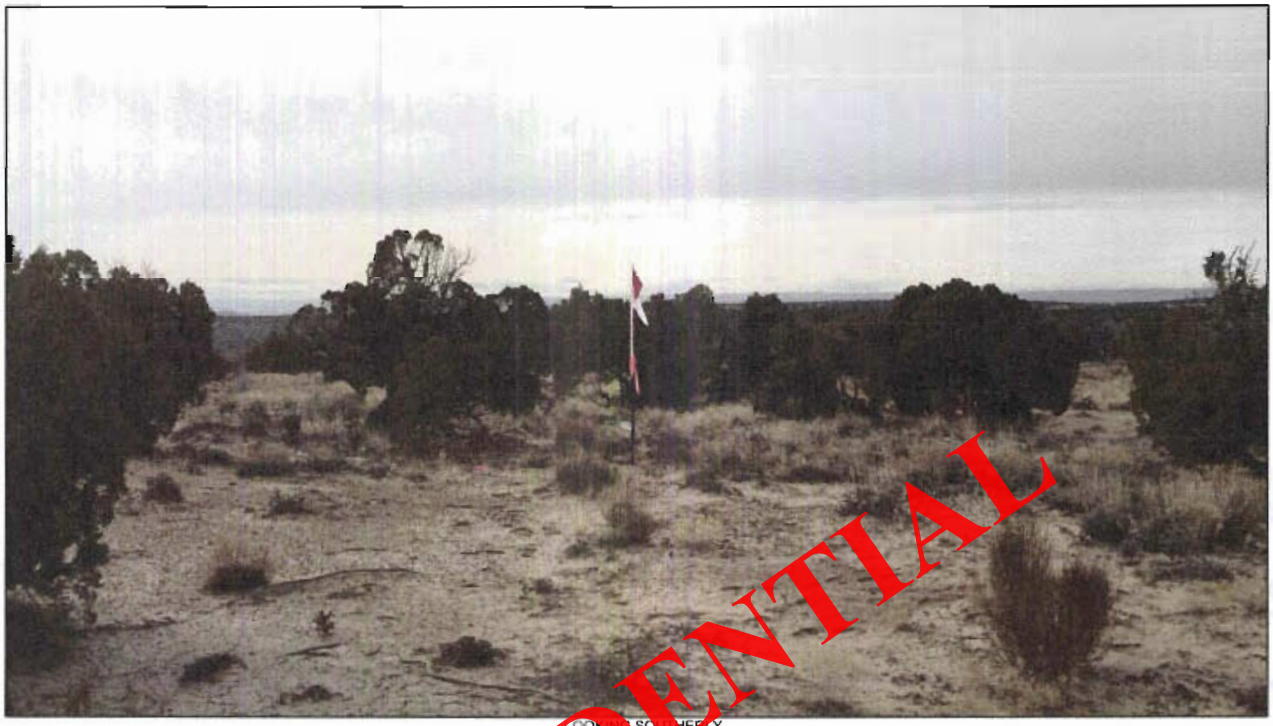
FEBRUARY 27, 2012
SCALE: NTS
DESIGN: RF DRAWN: JCR

SHEET NO. 3

RECEIVED: April 13, 2012



RECEIVED: April 13, 2012



LOOKING SOUTHERLY

LOOKING WESTERLY

LEGEND

= PROPOSED WELL LOCATION

= EXISTING CONTOURS

= PROPOSED CONTOURS

SUMMARY

EXISTING GRADE @ CENTER OF WELL= 5879.77'
FINSIH GRADE ELEVATION =5880.35'
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FILL SLOPES = 2 : 1
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TOTAL DISTURBED AREA = 2.91 ACRES

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*all quantities include reserve pit plus 2' of freeboard

QUINEX ENERGY CORPORATION

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)

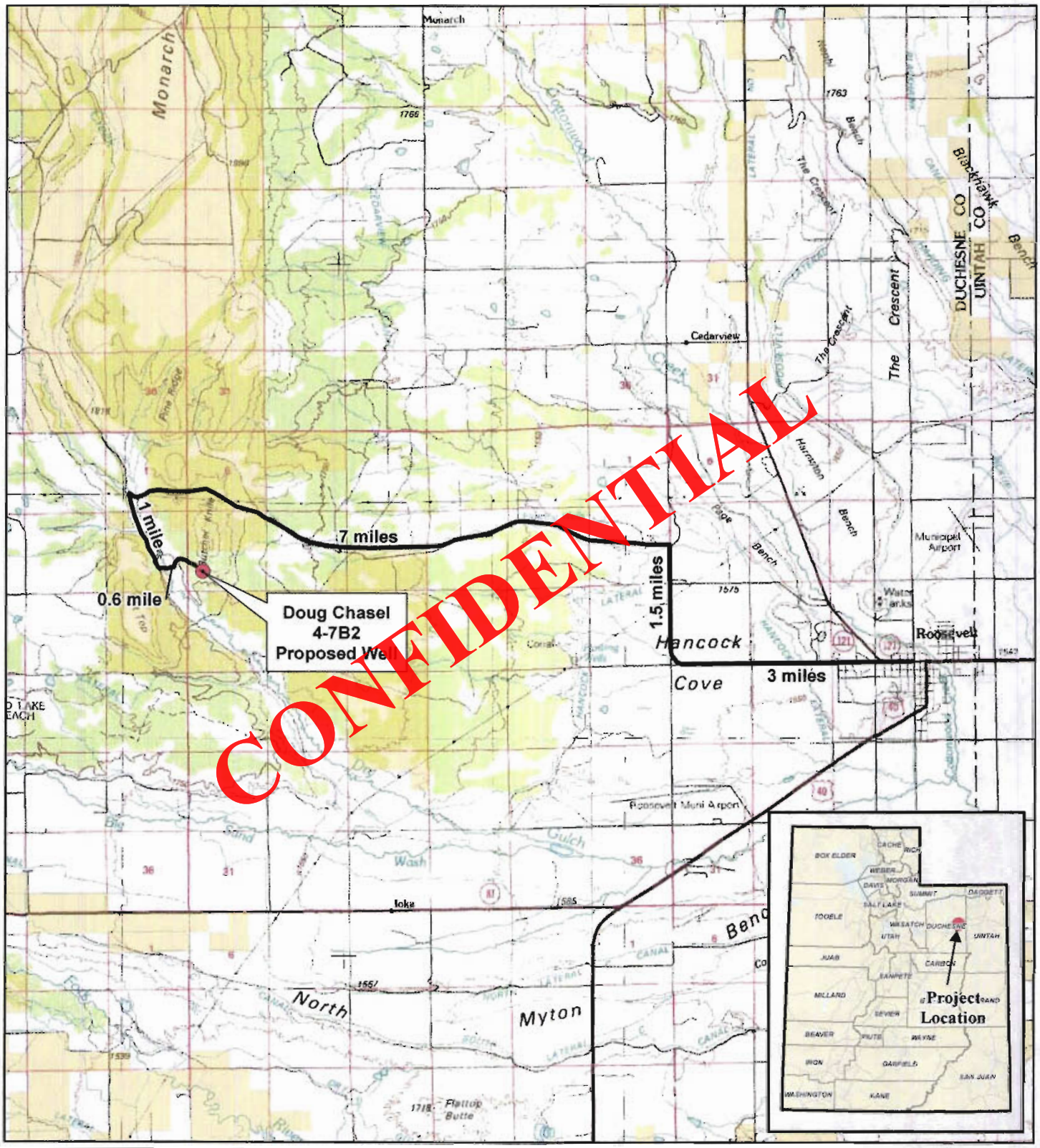
LOCATION PHOTOS

FEBRUARY 27, 2012
SCALE: NTS
DESIGN: RF DRAWN: JCR

SHEET NO. 5

RECEIVED: April 13, 2012

API Well Number: 43013513660000



Legend

- Proposed Well
- Access Road
- Tribal

OUTLAW ENGINEERING INC.

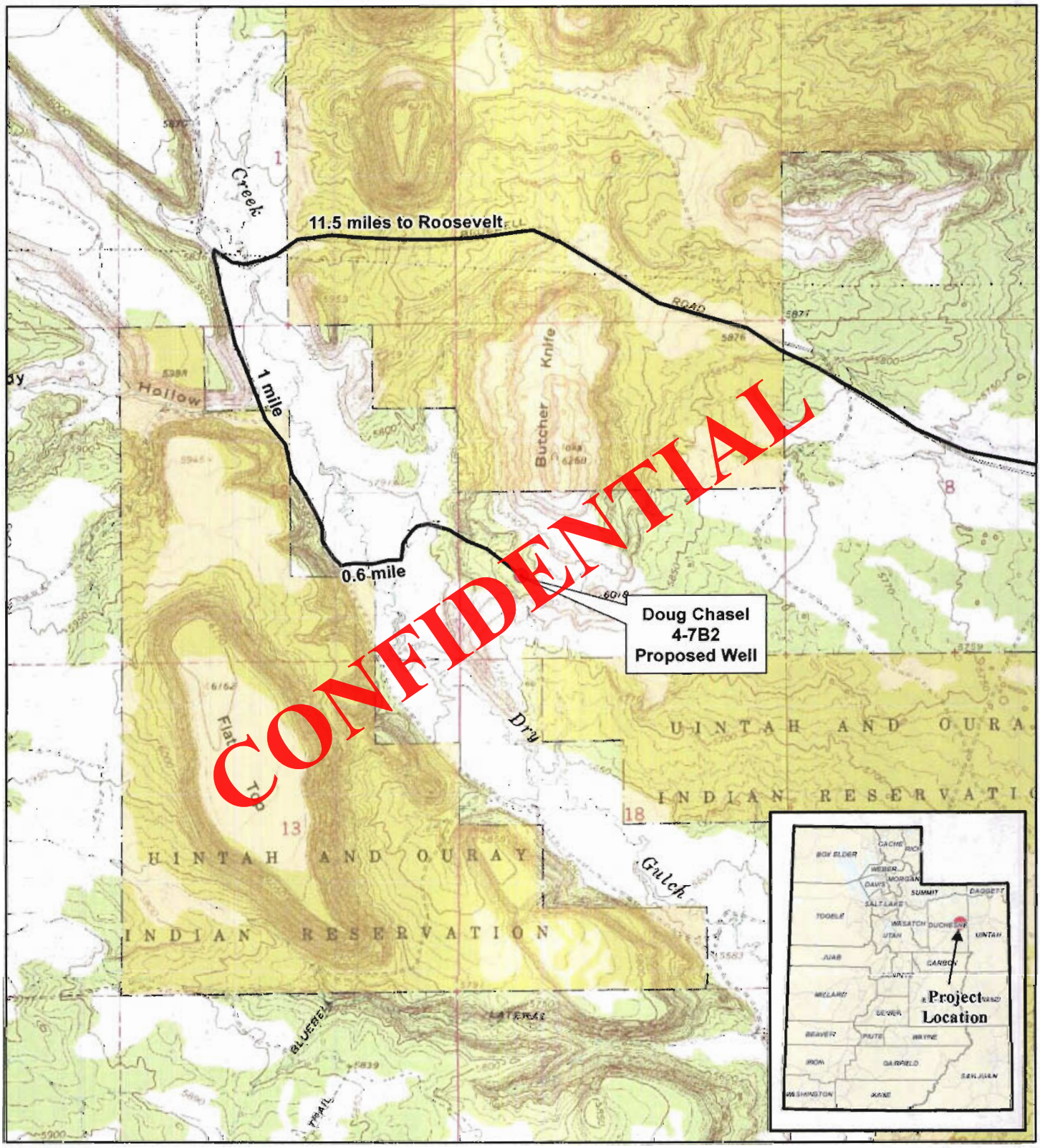
USGS 7.5' Bluebell Quadrangle

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

ACCESS ROAD	MARCH 2012 SCALE: 1:100,000	SHEET A

RECEIVED: April 13, 2012



Legend

- Proposed Well
- Access Road
- Tribal

OUTLAW ENGINEERING INC.

USGS 7.5' Bluebell Quadrangle

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

ACCESS ROAD	MARCH 2012	SHEET B
	SCALE: 1:24,000	
	1 INCH = 2,000 FEET	

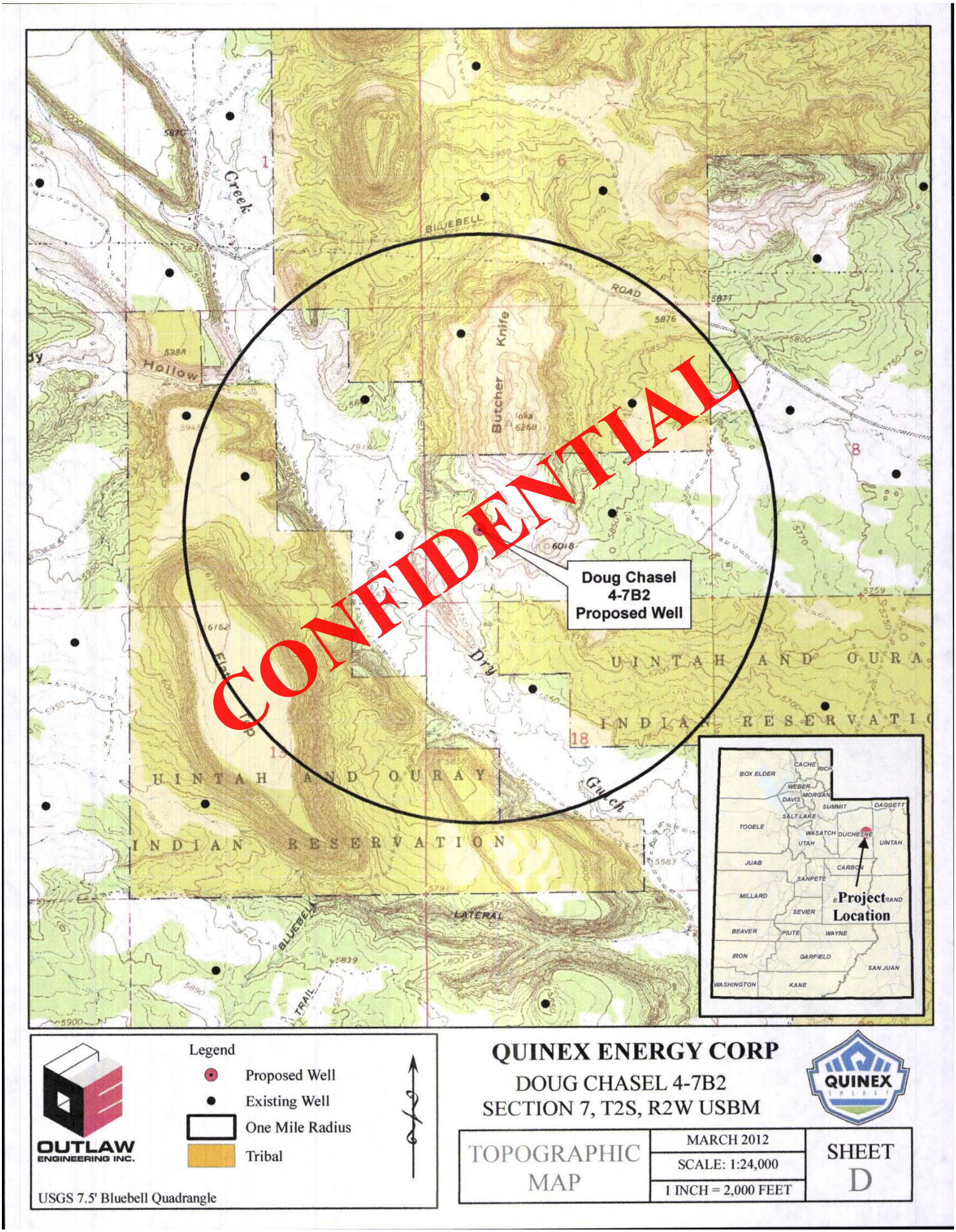
RECEIVED: April 13, 2012

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

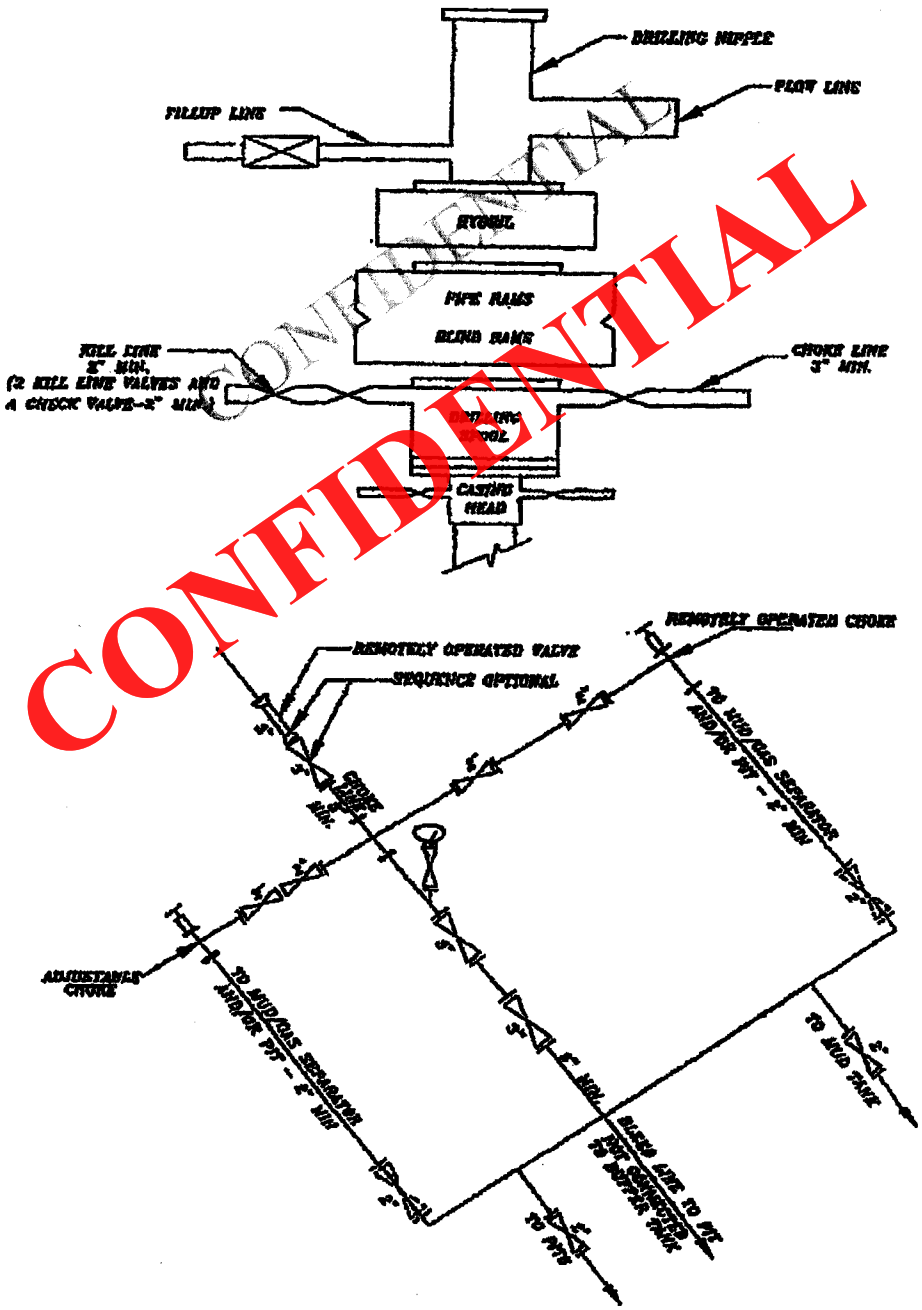
PROPOSED PIPELINE	MARCH 2012 SCALE: 1:24,000 1 INCH = 2,000 FEET	SHEET C

RECEIVED: April 13, 2012

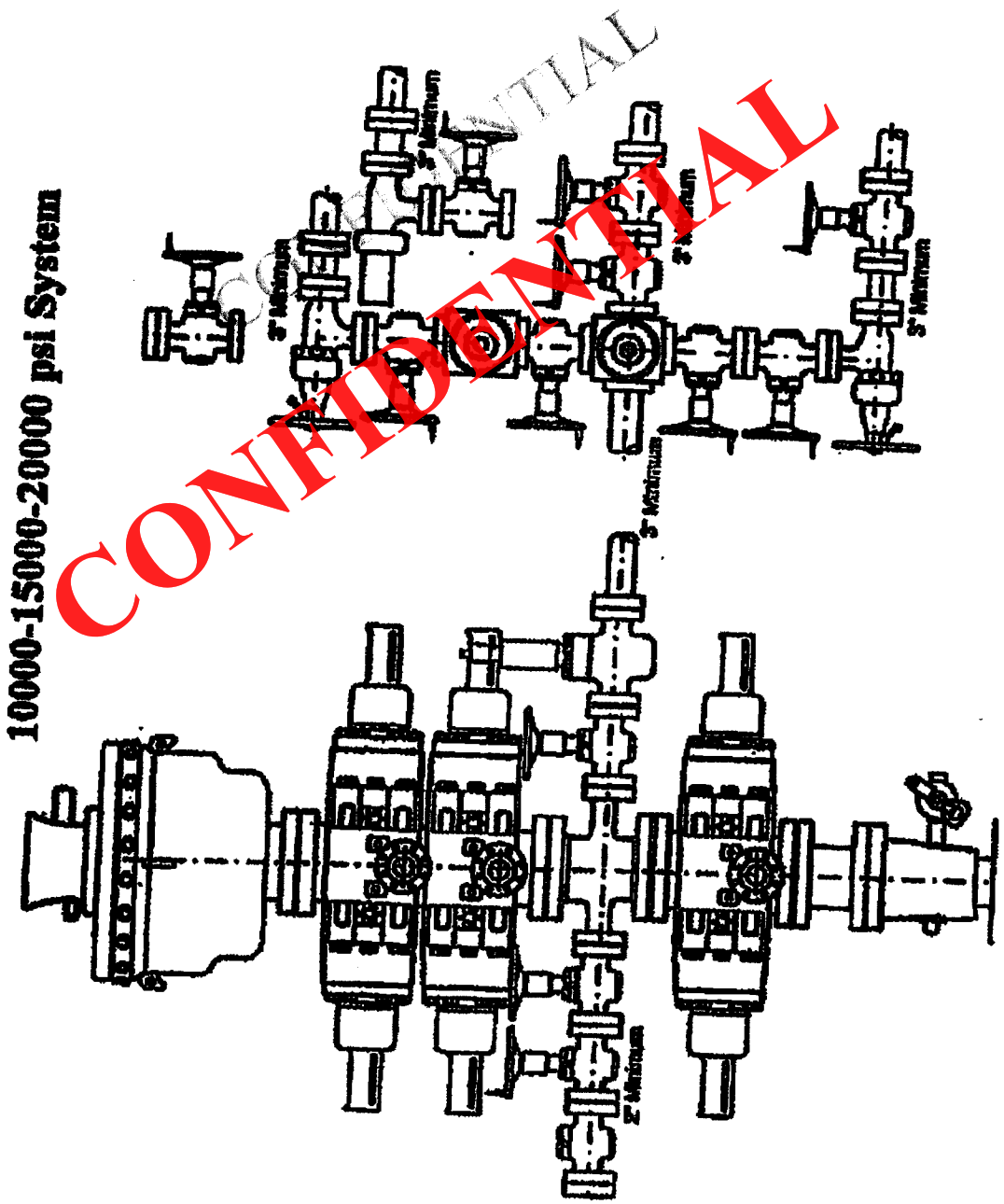


RECEIVED: April 13, 2012

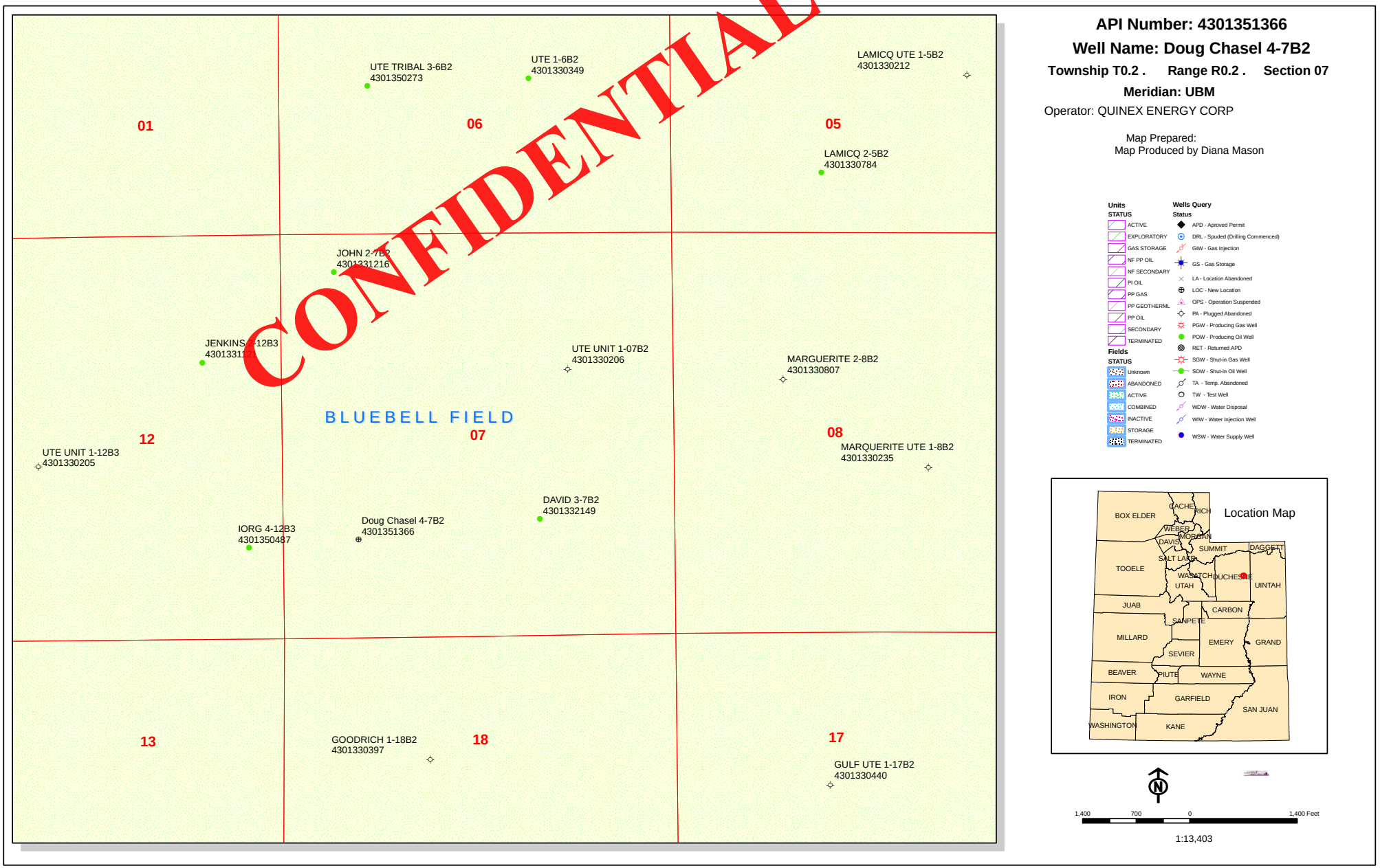
5M BOP STACK and CHOKE MANIFOLD SYSTEM



CONFIDENTIAL



API Well Number: 43013513660000



API Number: 4301351366

Well Name: Doug Chasel 4-7B2

Township T0.2 . Range R0.2 . Section 07

Meridian: UBM

Operator: QUINEX ENERGY CORP

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields
STATUS
- Unknown
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- STORAGE
- TERMINATED

Wells Query
Status
- APD - Aproved Permit
- DRL - Spuded (Drilling Commenced)
- GIW - Gas Injection
- GS - Gas Storage
- LA - Location Abandoned
- LOC - New Location
- OPS - Operation Suspended
- PA - Plugged Abandoned
- PGW - Producing Gas Well
- POW - Producing Oil Well
- RET - Returned APD
- SGW - Shut-in Gas Well
- SOW - Shut-in Oil Well
- TA - Temp. Abandoned
- TW - Test Well
- WDW - Water Disposal
- WIW - Water Injection Well
- WSW - Water Supply Well

1,400 700 0 1,400 Feet

1:13,403

RECEIVED: April 13, 2012

API Well Number: 43013513660000

BOPE REVIEW QUINEX ENERGY CORP Doug Chasel 4-7B2 43013513660000

Well Name	QUINEX ENERGY CORP Doug Chasel 4-7B2 43013513660000			
String	COND	SURF	I1	PROD
Casing Size(")	13.375	9.625	7.000	5.000
Setting Depth (TVD)	450	4500	10500	13800
Previous Shoe Setting Depth (TVD)	0	450	4500	10500
Max Mud Weight (ppg)	8.4	8.9	11.0	14.0
BOPE Proposed (psi)	1000	5000	5000	10000
Casing Internal Yield (psi)	1730	3950	9950	9950
Operators Max Anticipated Pressure (psi)	6580			9.2

Calculations	**COND String**	**13.375**	"
Max BHP (psi)	.052*Setting Depth*MW=	197	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	143	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	98	YES OK
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	98	NO
Required Casing/BOPE Test Pressure=		450	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		0	psi *Assumes 1psi/ft frac gradient

Calculations	**SURF String**	**9.625**	"
Max BHP (psi)	.052*Setting Depth*MW=	2093	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1543	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	1093	YES OK
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1192	NO OK
Required Casing/BOPE Test Pressure=		2765	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		450	psi *Assumes 1psi/ft frac gradient

Calculations	**I1 String**	**7.000**	"
Max BHP (psi)	.052*Setting Depth*MW=	6006	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	4746	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3696	YES OK
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	4686	NO OK
Required Casing/BOPE Test Pressure=		6965	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		3950	psi *Assumes 1psi/ft frac gradient

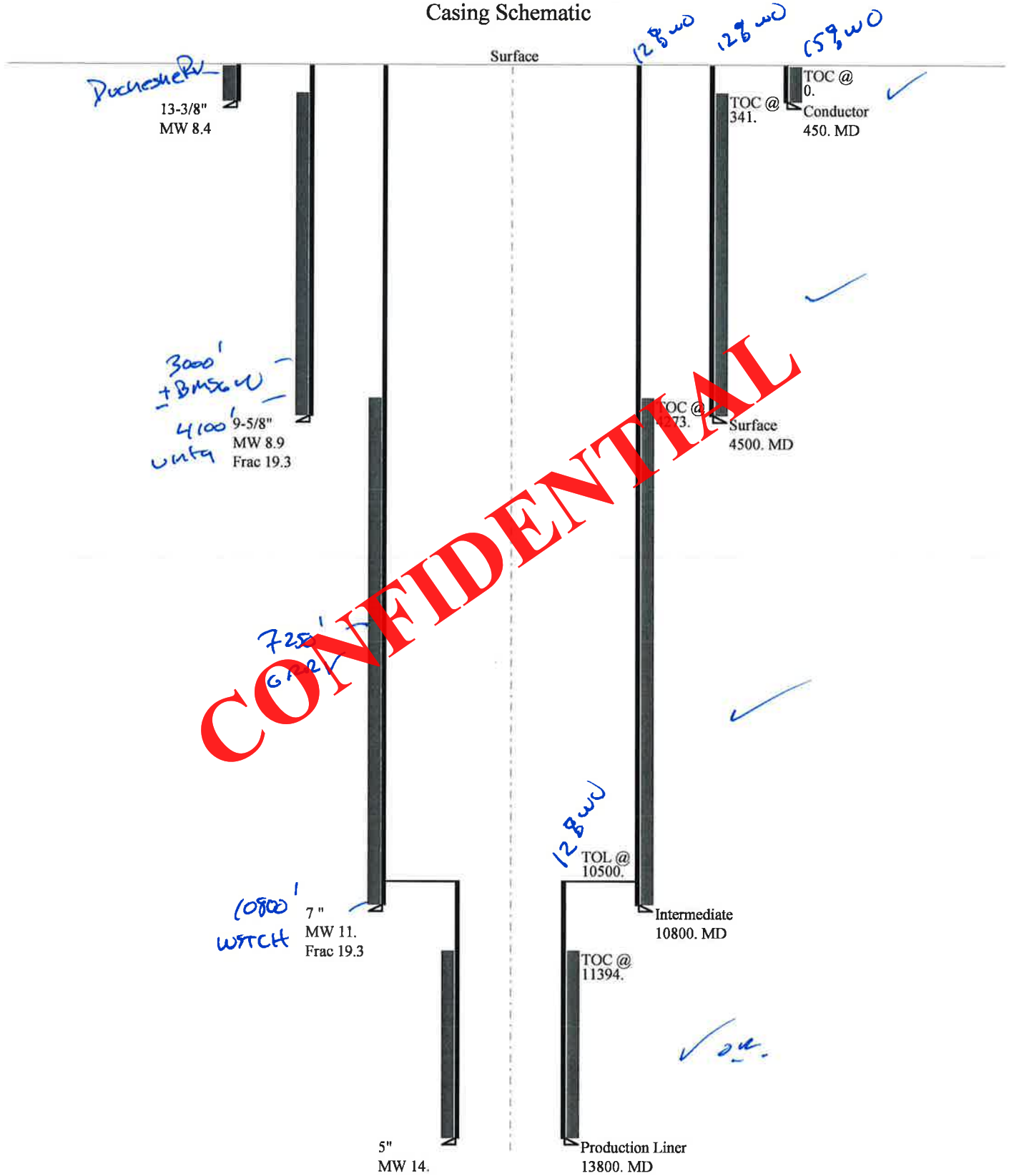
Calculations	**PROD String**	**5.000**	"
Max BHP (psi)	.052*Setting Depth*MW=	10046	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	8390	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	7010	YES OK
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	9320	YES
Required Casing/BOPE Test Pressure=		6965	psi
***Max Pressure Allowed @ Previous Casing Shoe=**		9950	psi *Assumes 1psi/ft frac gradient

RECEIVED: May 14, 2012

API Well Number: 43013513660000

43013513660000 Doug Chasel 4-7B2

Casing Schematic



Well name:	**43013513660000 Doug Chasel 4-7B2**
Operator:	**QUINEX ENERGY CORP.**
String type:	Conductor
Project ID:	43-013-51366
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 97 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 196 psi
Annular backup: 2.33 ppg

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 395 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 80 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	450	13.375	48.00	H-40	ST&C	450	450	12.59	5581

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	196	740	3.769	142	1730	12.19	21.6	322	14.91 J

Prepared by: Dustin K. Doucet, Div of Oil,Gas & Mining
Phone: 801 538-5281
FAX: 801-359-3940
Date: May 10,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 450 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**43013513660000 Doug Chasel 4-7B2**
Operator:	**QUINEX ENERGY CORP.**
String type:	Surface
Project ID:	43-013-51366
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
Mud weight: 8.900 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,452 psi
Internal gradient: 0.233 psi/ft
Calculated BHP 4,500 psi
Annular backup: 2.33 ppg

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 3,904 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 137 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 341 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 10,800 ft
Next mud weight: 11.000 ppg
Next setting BHP: 6,171 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 4,500 ft
Injection pressure: 4,500 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	4500	9.625	40.00	K-55	LT&C	4500	4500	8.75	47639

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	2081	2570	1.235	3955	3950	1.00	180	561	3.12 J

Prepared by: Dustin K. Doucet
Div of Oil,Gas & Mining
Phone: 801 538-5281
FAX: 801-359-3940
Date: May 10,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 4500 ft, a mud weight of 8.9 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**43013513660000 Doug Chasel 4-7B2**
Operator:	**QUINEX ENERGY CORP.**
String type:	Intermediate
Project ID:	43-013-51366
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
- Mud weight: 11.000 ppg
- Internal fluid density: 1.200 ppg

Burst
- Max anticipated surface pressure: 7,000 psi
- Internal gradient: 0.220 psi/ft
- Calculated BHP 9,376 psi

No backup mud specified.

Minimum design factors:

Collapse:
- Design factor 1.125

Burst:
- Design factor 1.00

Tension:
- 8 Round STC: 1.80 (J)
- 8 Round LTC: 1.80 (J)
- Buttress: 1.60 (J)
- Premium: 1.50 (J)
- Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 9,008 ft

Environment:
- H2S considered? No
- Surface temperature: 74 °F
- Bottom hole temperature: 225 °F
- Temperature gradient: 1.40 °F/100ft
- Minimum section length: 1,000 ft

Cement top: 4,273 ft

Non-directional string.

Re subsequent strings:
- Next setting depth: 13,800 ft
- Next mud weight: 14.000 ppg
- Next setting BHP: 10,036 psi
- Fracture mud wt: 19.250 ppg
- Fracture depth: 10,800 ft
- Injection pressure: 10,800 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	10800	7	26.00	P-110	LT&C	10800	10800	6.151	112266

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	5498	6230	1.133	9376	9950	1.06	280.8	693	2.47 J

Prepared by: Dustin K. Doucet
Div of Oil,Gas & Mining
Phone: 801 538-5281
FAX: 801-359-3940
Date: May 10,2012
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 10800 ft, a mud weight of 11 ppg An internal gradient of .062 psi/ft was used for collapse from TD
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**43013513660000 Doug Chasel 4-7B2**
Operator:	**QUINEX ENERGY CORP.**
String type:	Production Liner
Project ID:	43-013-51366
Location:	DUCHESNE COUNTY

Design parameters:

Collapse
Mud weight: 14.000 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 7,000 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 10,036 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 13,097 ft

Environment:
H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 267 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 11,394 ft

Liner top: 10,500 ft
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost ($)
1	3300	5	18.00	P-110	LT&C	13800	13800	4.151	23849

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	10036	13470	1.342	10036	13940	1.39	59.4	495	8.33 J

Prepared by: Dustin K. Doucet, Div of Oil,Gas & Mining
Phone: 801 538-5281
FAX: 801-359-3940
Date: May 10,2012
Salt Lake City, Utah

Remarks:
For this liner string, the top is rounded to the nearest 100 ft.Collapse is based on a vertical depth of 13800 ft, a mud weight of 14 ppg The Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

QUINEX ENERGY CORPORATION

SURFACE USE PLAN

Doug Chasel 4-7B2
987' FWL, 1287' FSL SW1/4 SW1/4,
Section 7, T2S, R2W, USB&M
Duchesne County, Utah
Lease No: Chasel (Fee)
Bond Number: NZS499876

PRESITE INSPECTION:
The onsite inspection for the subject well site will be conducted as scheduled by the State of Utah Division of Oil, Gas & Mining.

ATTENDEES:
Paul Wells Representing the Surface Owner
Mike Hebertson Quinex Energy
Don Hamilton Buys & Associates
John Chasel Surface Owner
Oil, Gas & Mining

1. EXISTING ROADS
A. The proposed well site is located approximately 13.1 miles west of Roosevelt, Utah.
B. Directions to the location from Roosevelt, Utah are as follows:
Proceed west from the junction of US 40 and State Road 121 in Roosevelt, to the junction of State Road 121 and 200 north continue west until the road turns north into Hancock Cove the total distance is about 3 miles. Continue north on State Road 121 1.5 miles and turn left on the road to Bluebell. Continue west from the junction 7 miles and turn left onto the road on the west side of Dry Gulch. One mile from the junction of the Bluebell Highway and Dry Gulch the road will turn left across the creek and continue easterly to the well.
C. Four tenths of a mile of new road will be required to access this location. Permits and Rights-of-Way will be obtained prior to construction.
D. For location of access roads within a 1 Mile radius, see Map A & Sheet 1.
E. Improvement to existing main roads will not be required.
F. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
G. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency will be maintained in accordance with the standards of the managing agency.

2. PLANNED ACCESS ROADS
A. There will be 0.4 (2,119') miles of new access to be constructed.
B. The maximum grade will not exceed 6%.
C. No turnouts are planned.
D. Culverts will be installed where necessary. No low water crossings will be required.
E. The access road was centerline surveyed at the time of staking.
F. The use of surfacing material will be the same as those used to build the location

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G. A cattle guard and a gate will be installed if required, and the location and road will be fenced as required by the surface owner and if security issues become a problem.
H. Surface disturbance and vehicular travel will be limited to the approved location and approved access route.
I. Access roads and surface disturbing activities will conform to standards set forth by the Surface Owner and Duchesne County.
J. The road will be constructed to meet the standards of the anticipated traffic flow and all weather road requirements. Construction will include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road will be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings will be of the typical dry creek drainage crossing type or with culverts. Crossings will be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor will the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water will be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading will not be allowed during muddy conditions. Should mud holes develop, they will be filled in and detours around them avoided.
K. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
L. No road rights-of-way will be necessary since all new access is within the lease boundary.

3. **EXISTING WELLS WITHIN A 1 MILE RADIUS OF THE PROPOSED WELL (See Map)**
A. Water Wells: 1 Permit No. 43-12310 in the SE ¼ Underground 8 inch well 300’ deep
B. Injection Wells: 0
C. Producing Wells: 4
D. Drilling Wells: 0
E. Shut-In Wells: 0
F. Temp Abandoned: 0
G. Disposal Wells: 0
H. P&A Wells 3
See the attached plats from State Data Bases

4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES
A. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted to blend with the landscape probably Desert Tan or similar. All facilities will be painted within six weeks of installation.
B. Storage facilities such as tank batteries will be constructed on this lease the facility and the well pad will be surrounded by a containment berm and the Battery itself will have its own berm of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility unless more stringent protective requirements are deemed necessary by the authorized officer.
C. If production is established, a production facility diagram will be submitted via Sundry Notice.
D. All loading lines will be placed inside the berm surrounding the location.
E. Gas meter runs for the well will be located on lease. The gas flow line will be surface laid and anchored down from the wellhead to the separator. Meter runs will be housed.
F. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any sale being made. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter.

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G. Any necessary pits will be properly fenced to prevent any wildlife entry.
H. All site security guidelines will be adhered to.
I. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
J. The road will be maintained in a safe useable condition.
K. Produced water will be stored in a 500 bbl heated insulated tank. Water will be hauled to a commercial disposal site.
L. Pipelines will follow the established roads shown on Map 10 & 12 to a point where they intersect the county road. From there to the tie-in point with the gas gathering system and the power line

5. LOCATION AND TYPE OF WATER SUPPLY
A. Water will be purchased from Marvin Hamacker under permits 43-12366 or 43-12367
B. Water will be hauled by truck to the location over the access roads
C. No water well will be drilled on this lease.

6. SOURCE OF CONSTRUCTION MATERIAL
A. Surface and subsoil materials in the immediate area will be utilized where possible.
B. Any gravel used will be obtained from a commercial source.
C. Construction material is not available on lease.

7. METHODS OF HANDLING WASTE DISPOSAL
A. The reserve pit will be constructed so as not to leak, break, or allow discharge.
B. The reserve pit will require blasting to obtain sufficient depth and a 12 mil liner will be required. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overtop the pit walls and be covered with dirt or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.
C. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal site.
D. During the testing period produced waste water will be confined to the reserve pit and will be removed by vacuum truck when the well goes on production. Produced water will be disposed of at a State approved facility.
E. Drill cuttings are to be contained and buried in the reserve pit, and the liner will be folded in over the cuttings after they are dried out. The pit and cuttings will be buried 3 to 4 feet deep and re-vegetated to hold the soils in place after completion work is finished. All unused portions of the location and shoulders of the access road will be vegetated for soil control purposes. If required a siltation fence will be installed at the toe of the fill slopes to control erosion until new plant growth can be established.
F. Any salts or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
G. A chemical portable toilet will be furnished with the drilling rig.
H. The produced fluids will be produced into the reserve pit until such time as construction of production facilities is completed. Any spills of oil, fuel, salt water or other produced fluids will be cleaned up and removed.

8. ANCILLARY FACILITIES
There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. WELL SITE LAYOUT
A. The operator or an authorized representative will contact the DOGM Twenty four (24) hours prior to construction of location and access.

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B. The reserve pit will be located on the more easterly side of the location.
C. The flare pit will be located on the south side of the reserve pit, a minimum of 100 feet from the well head.
D. The stockpiled topsoil (first six inches) will be stored on the north east and south side of the location. Topsoil along the access route will be wind rowed on the uphill side.
E. Access to the well pad will be from the north and west as shown on the Pit & Pad Layout sheet 2.
F. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
G. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles are shown on the Location Layout and are more or less standard for the drilling rig that will be used to drill this well.
H. All pits will be fenced according to the following minimum standards:
1. Wire net fence will be used with at least one strand of barbed wire on top of the wire net.
2. The wire net will be no more than 2 inches above the ground. The barbed wire will be 3 inches above the wire net. Total height of the fence wiall be at least 42 inches.
3. Corner posts will be braced in such a manner to keep the fence tight at all times.
4. Standard steel or pipe posts will be used between the corner braces.
5. Maximum distance between any two posts will be no greater than 16 feet.
6. All wire will be stretched, by using a stretching device, before it is attached to the corner posts.
J. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Surface Restoration
A surface use agreement will be executed with John Chasel prior to commencement of drilling.

Producing Location:
A. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
B. Upon completion all hydrocarbons on the pit will be removed.
C. The pit liner is used it will be torn and perforated before backfilling of the reserve pit.
D. The reserve pit and that portion of the location not needed for production facilities or operations will be re-contoured to the approximate natural contours. The reserve pit will be reclaimed within one year from the date of well completion. Before any dirt work takes place, the reserve pit will have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
E. Reclamation of unused disturbed areas on the well pad and access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding. Seeding will be performed within a year after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.
F. The topsoil stockpile will be seeded as soon as the location has been constructed with the recommended seed mix. The seed will be walked in with a cat.

11. Interim Surface Reclamation
A. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
B. Before any dirt work associated with location restoration takes place, the reserve pit will be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
C. If a synthetic, nylon reinforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit.

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Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.
D. The reserve pit will be reclaimed within one year from the date of final well completion, weather permitting.
E. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be spread up to the rig anchor points, excluding the area needed for production and storage facilities and everyday production operations. Reseeding, using appropriate reclamation methods, will occur immediately following the spreading of topsoil, weather permitting.
F. Access Roads: The majority of the access roads are maintained by the County Road Department.
G. Well pad.

12. Dry Hole
A. At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and DOGM will attach the appropriate surface rehabilitation conditions of approval and full restoration of the location and access road will be completed as required by the State of Utah.

13. OTHER INFORMATION
A. Cultural and archeological surveys have **NOT** been conducted. This is Fee Surface and Minerals.
B. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or Archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized agency to confirm through the State Historic Preservation Officer if mitigation is required. Upon verification from the AO the State Historic Preservation Officer that the required mitigation has been completed, the operator will then be allowed to resume construction.
C. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities.

Notifications:
Location Construction Twenty four (24) hours prior to construction of location and access
Location Completion Twenty four (24) hours prior to construction of location and access
Spud Notice Twenty four (24) hours prior to construction of location and access
Casing String and Cementing Twenty four (24) hours prior to construction of location and access
BOP and Equipment Tests Twenty four (24) hours prior to construction of location and access
First Production Notice Thirty days after First Sales

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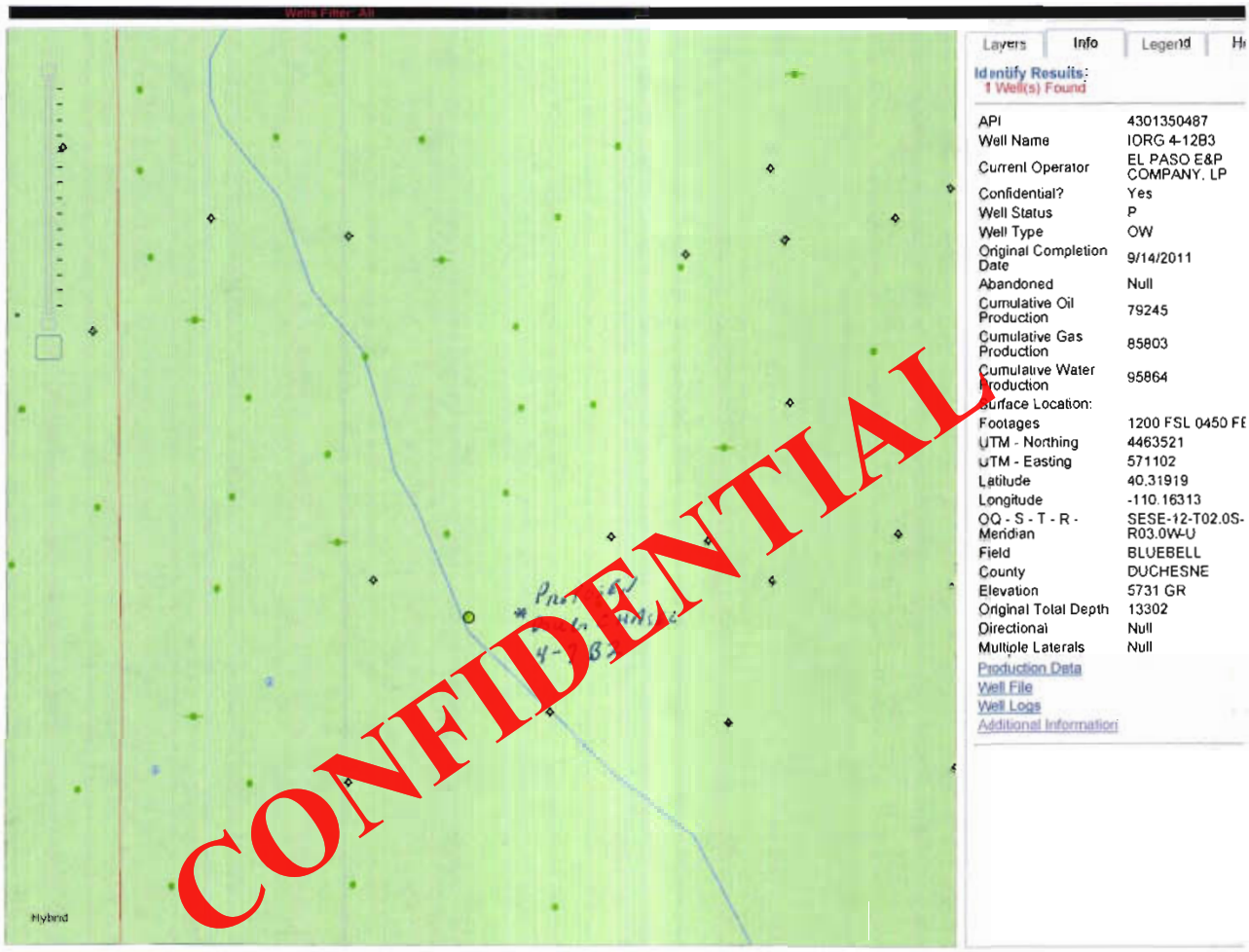
Utah Oil and Gas Map



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Search of TOWNSHIP = '2S' and RANGE = '2W' and SECTION_NO = '07' and BEM = 'US'

WR Number	Diversion Type	Well Log	Location	Status	Priority	Uses	CFS	ACFT	Owner Name
43-12310	Underground	434809	N1200 W180 SE 07 2S 2W US A		20100405	DIS	0.000	1.480	ADAM FOSTER

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Select Related Information

(WARNING: Water Rights makes NO claims as to the accuracy of this data.) RUN DATE: 03/20/2012

WATER RIGHT: **43-12310** APPLICATION/CLAIM NO.: **A78802** CERT. NO.:

OWNERSHIP**********

NAME: Adam Foster
ADDR: 1311 East Claybourne Ave
Salt Lake City, UT 84106

DATES, ETC.**********

LAND OWNED BY APPLICANT? Yes COUNTY TAX ID#: 00-0014-4794
FILED: 04/05/2010|PRIORITY: 04/05/2010|PUB BEGAN: 04/13/2010|PUB ENDED: 04/20/2010|NEWSPAPER: Uintah Basin Standard
ProtestEnd:05/10/2010|PROTESTED: [No]|HEARNG HLD: |SE ACTION: [Approved]|ActionDate:05/13/20[illegible]|PROOF DUE: 05/31/2015
EXTENSION: |ELEC/PROOF:[ ]|ELEC/PROOF: |CERT/WUC: |LAP, ETC: |LAPSE LETTER:
RUSH LETTR:04/05/2010|RENOVATE: |RECON REQ: |TYPE: [ ]|50YR DATE: [illegible]/2060
PD BOOK: [43-]|MAP: [ ]|PUB DATE:
TYPE -- DOCUMENT -- STATUS----------
Type of Right: Application to Appropriate Source of Info: Application to Appropriate Status: Approved

LOCATION OF WATER RIGHT***(Points of Diversion: Click on Location to access PLAT Program)*******MAP VIEWER***GOOGLE VIEW*

FLOW: 1.48 acre-feet SOURCE: Underground Water
COUNTY: Duchesne COMMON DESCRIPTION: 7 miles Northwest Roosevelt

POINT OF DIVERSION -- UNDERGROUND: (Click Well ID# link for more Well Info.)
(1) N 1200 ft W 180 ft from SE cor, Sec 07, T 2S, R 2W, USBM
DIAMETER OF WELL: 8 ins. DEPTH: 300 to ft. YEAR DRILLED: WELL LOG: No WELL ID#: 434809

USES OF WATER RIGHT******** *ELU -- Equivalent Livestock Unit (cow, horse, etc.) ******** EDU -- Equivalent Domestic Unit or 1 Family*

SUPPLEMENTAL GROUP NO.: 630402.

IRRIGATION: 0.25 acres Div Limit: 0.0 acft. PERIOD OF USE: 04/01 TO 10/31
STOCKWATER: 10.0000 Stock Units Div Limit: PERIOD OF USE: 01/01 TO 12/31
DOMESTIC: 1.0000 EDUs Div Limit: PERIOD OF USE: 01/01 TO 12/31

###PLACE OF USE: *------NORTH WEST QUARTER------*-------NORTH EAST QUARTER------*-------SOUTH WEST QUARTER------*-------SOUTH EAST

	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE
Sec 07 T 2S R 2W USB														

GROUP

SEGREGATION HISTORY**********

This Right as originally filed:

FLOW IN CFS	QUANTITY IN ACRE-FEET	WATER USES: IRRIGATED ACREAGE	STOCK (ELUs)	DOMESTIC (FAMILIES)	MUNICIPAL	MINING	POWER	OTHER
	1.48	0.2500	10.0000	1.0000				

**********END OF DATA**********

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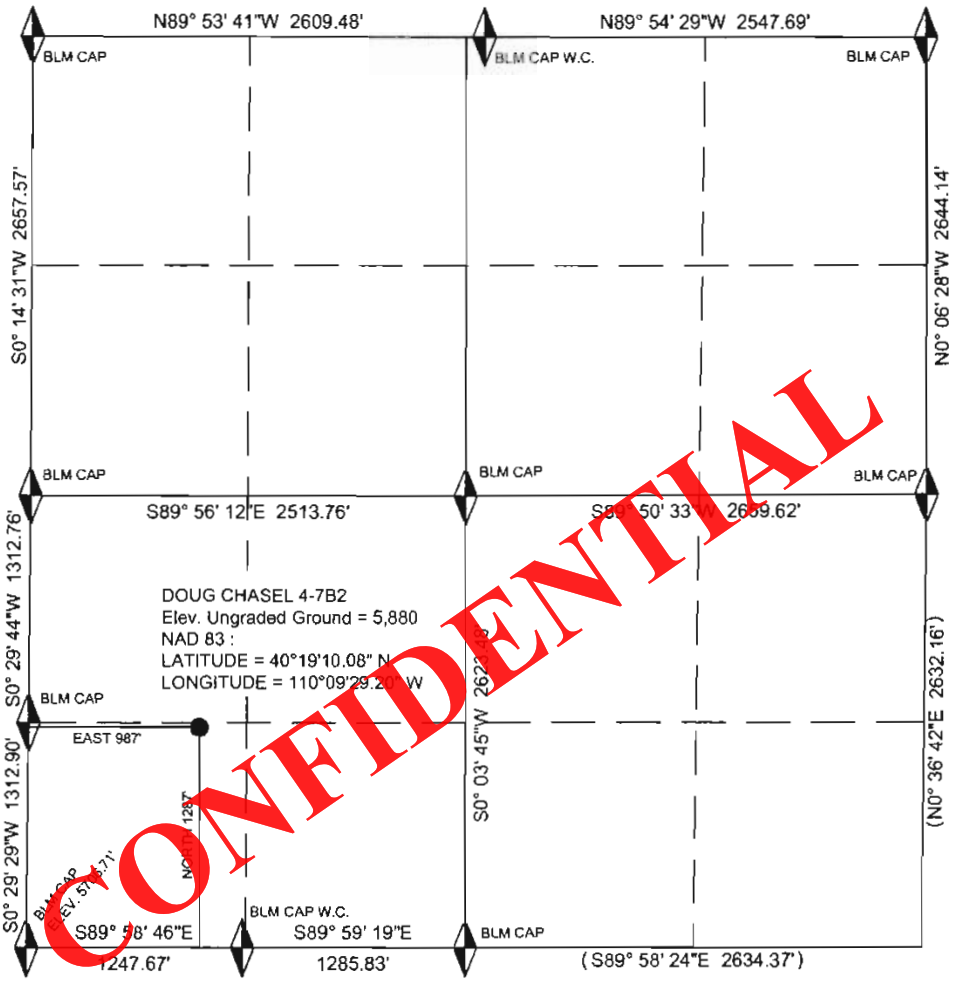
SECTION 7, T2S, R2W, USB&M



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM THE FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

PROFESSIONAL LAND SURVEYOR
Dan E. Knowlden Jr.
7173588
STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION NO. 7173588
STATE OF UTAH

LEGEND AND NOTES

- FOUND SECTION CORNER
- PROPOSED WELL HEAD
- ( ) CALCULATED DATA

THE GENERAL LAND OFFICE G.L.O. PLAT WAS USED FOR REFERENCE

THIS SURVEY WAS PERFORMED USING GLOBAL POSITIONING SYSTEM PROCEDURES AND EQUIPMENT.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 7, T2S, R2W, U.S.M. NAVD 88 DATUM USING THE UTAH REFERENCE NETWORK SYSTEM. SAID ELEVATION IS MARKED AS BEING 5706.71 FEET.

0 500 1000
HORIZONTAL

QUINEX ENERGY CORP.
DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

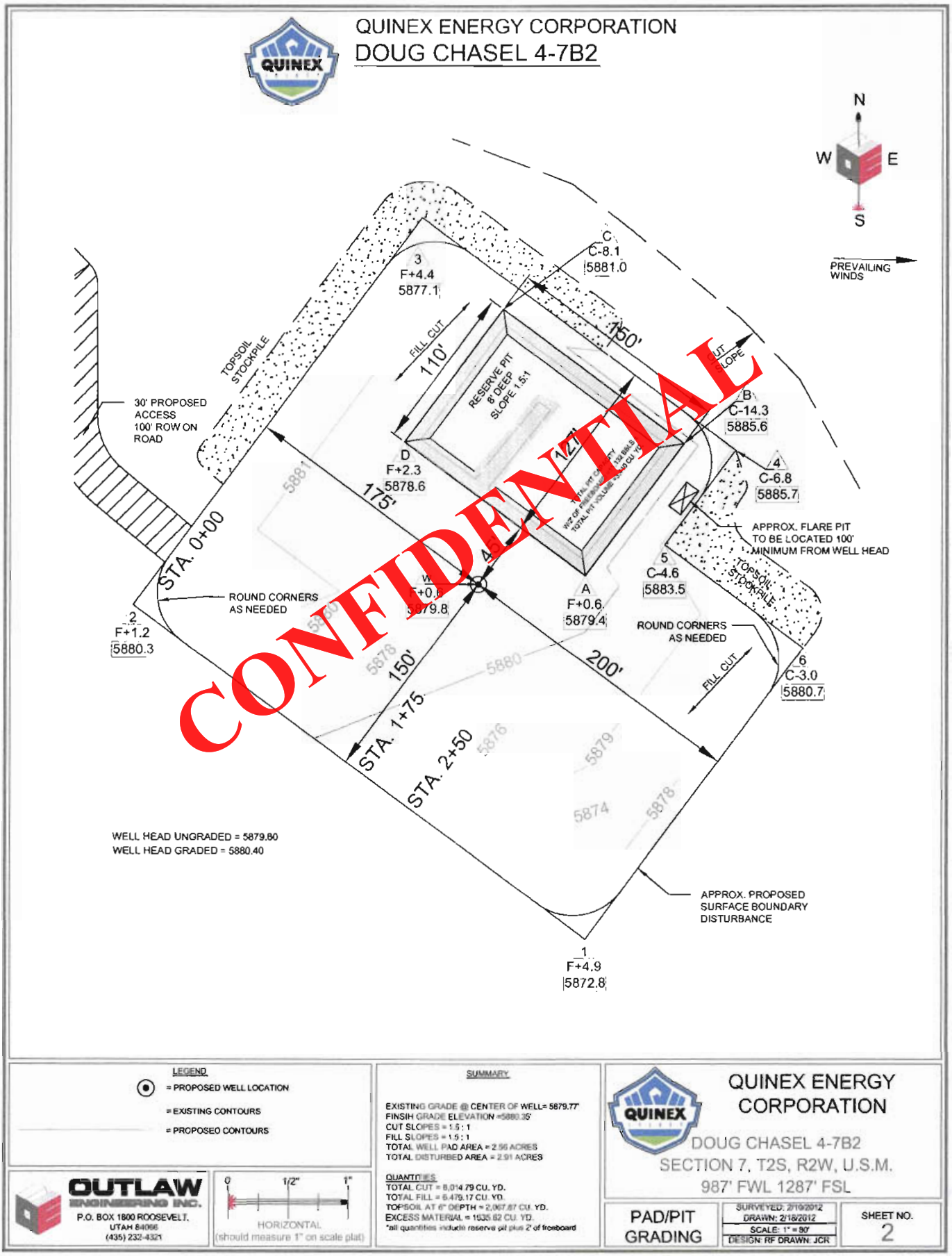
OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

WELL PLAT

DATE SURVEYED: FEBRUARY 10, 2012
SURVEYED BY: DEK, CCW
DRAWN: FEBRUARY 18, 2012
SCALE: 1" = 1000'
DRAWN: DEK

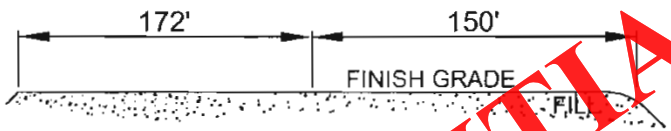
SHEET NO. 1

RECEIVED: May 14, 2012

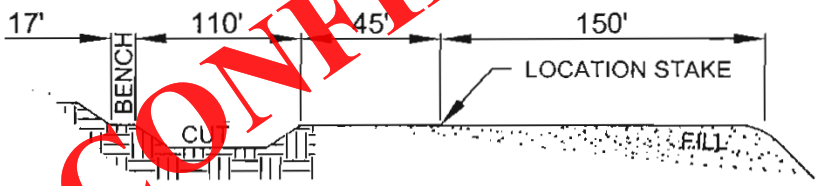

QUINEX ENERGY CORPORATION
DOUG CHASEL 4-7B2
N
W
E
S
PREVAILING WINDS
C
C-8.1
5881.0
3
F+4.4
5877.1
150'
FILL CUT
110'
RESERVE PIT
8' DEEP
SLOPE 1.5:1
CUT SLOPE
B
C-14.3
5885.6
TOPSOIL STOCKPILE
30' PROPOSED ACCESS 100' ROW ON ROAD
D
F+2.3
5878.6
175'
4
C-6.8
5885.7
APPROX. FLARE PIT TO BE LOCATED 100' MINIMUM FROM WELL HEAD
STA. 0+00
ROUND CORNERS AS NEEDED
5
C-4.6
5883.5
TOPSOIL STOCKPILE
A
F+0.6
5879.4
2
F+1.2
5880.3
ROUND CORNERS AS NEEDED
150'
200'
FILL CUT
6
C-3.0
5880.7
STA. 1+75
STA. 2+50
WELL HEAD UNGRADED = 5879.80
WELL HEAD GRADED = 5880.40
APPROX. PROPOSED SURFACE BOUNDARY DISTURBANCE
1
F+4.9
5872.8
CONFIDENTIAL
LEGEND
= PROPOSED WELL LOCATION
= EXISTING CONTOURS
= PROPOSED CONTOURS
SUMMARY
EXISTING GRADE @ CENTER OF WELL= 5879.77'
FINSIH GRADE ELEVATION =5880.35'
CUT SLOPES = 1.5 : 1
FILL SLOPES = 1.5 : 1
TOTAL WELL PAD AREA = 2.56 ACRES
TOTAL DISTURBED AREA = 2.91 ACRES
QUANTITIES
TOTAL CUT = 8,014.79 CU. YD.
TOTAL FILL = 6,479.17 CU. YD.
TOPSOIL AT 6" DEPTH = 2,067.87 CU. YD.
EXCESS MATERIAL = 1535.62 CU. YD.
*all quantities include reserve pit plus 2' of freeboard
OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321
0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)
QUINEX ENERGY CORPORATION
DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL
PAD/PIT GRADING
SURVEYED: 2/10/2012
DRAWN: 2/18/2012
SCALE: 1" = 80'
DESIGN: RF DRAWN: JCR
SHEET NO.
2

DOUG CHASEL 4-7B2

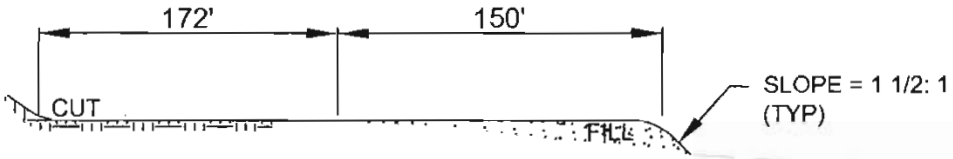
QUINEX ENERGY CORPORATION



STA. 0+00



STA. 1+75



STA. 2+50

LEGEND

= PROPOSED WELL LOCATION

= EXISTING CONTOURS

= PROPOSED CONTOURS

SUMMARY

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QUINEX ENERGY CORPORATION

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

OUTLAW ENGINEERING INC.
P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

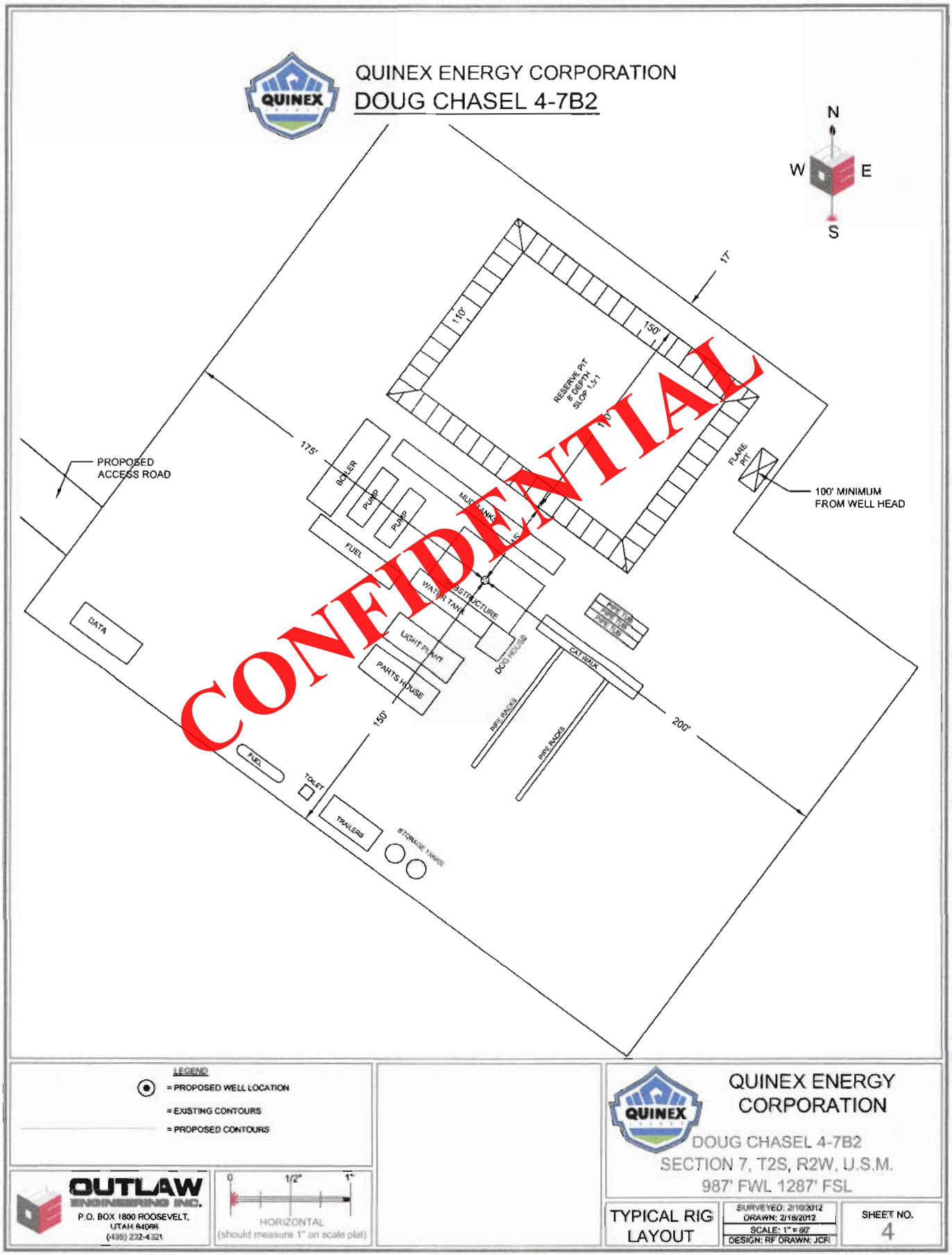
0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)

SECTION VIEWS

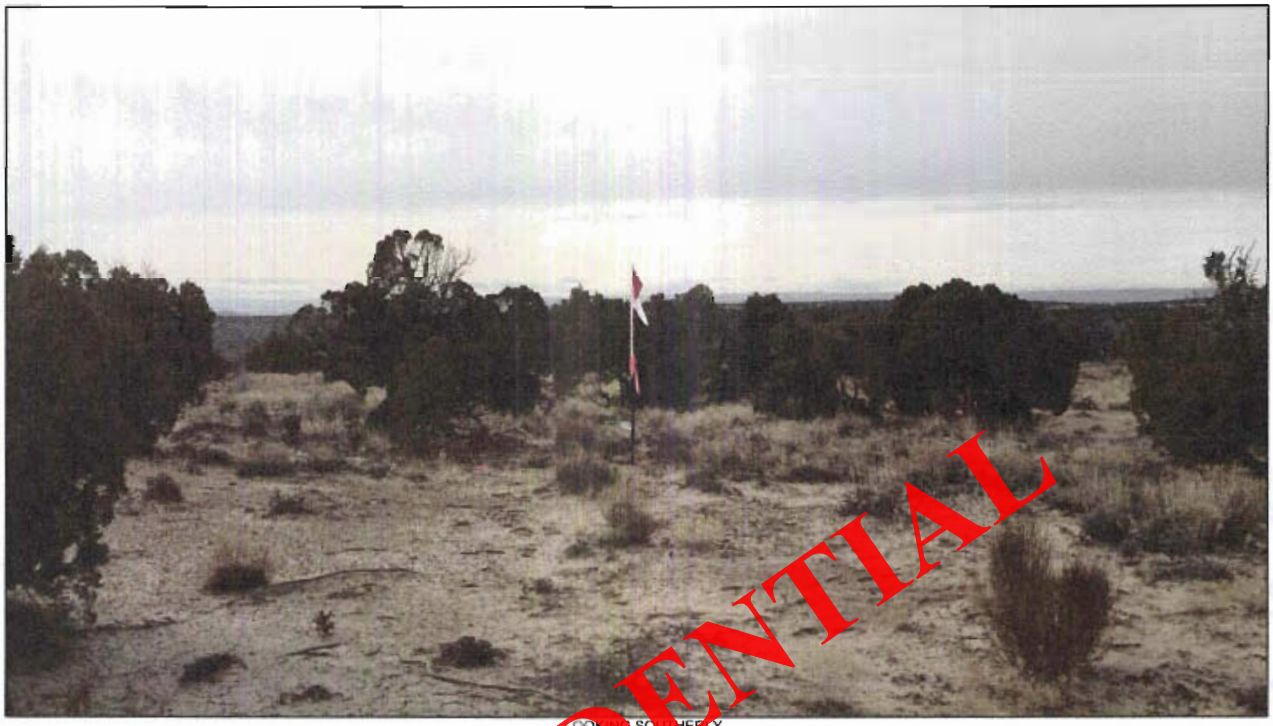
FEBRUARY 27, 2012
SCALE: NTS
DESIGN: RF DRAWN: JCR

SHEET NO. 3

RECEIVED: May 14, 2012



RECEIVED: May 14, 2012



LOOKING SOUTHERLY

LOOKING WESTERLY

LEGEND

= PROPOSED WELL LOCATION

= EXISTING CONTOURS

= PROPOSED CONTOURS

SUMMARY

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QUINEX ENERGY CORPORATION

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SECTION 7, T2S, R2W, U.S.M.
987' FWL 1287' FSL

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P.O. BOX 1800 ROOSEVELT, UTAH 84066
(435) 232-4321

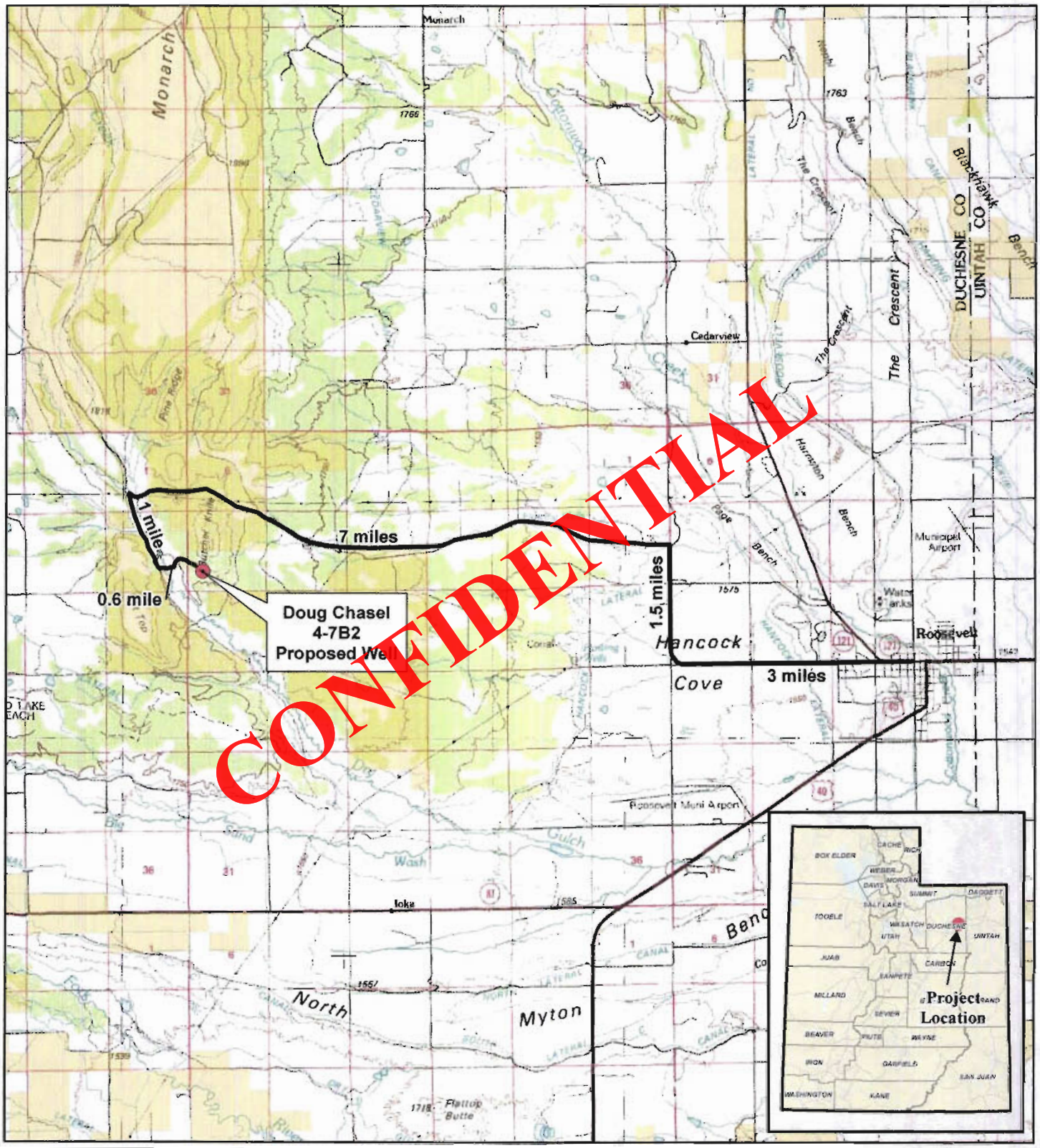
0 1/2" 1"
HORIZONTAL
(should measure 1" on scale plat)

LOCATION PHOTOS

FEBRUARY 27, 2012
SCALE: NTS
DESIGN: RF DRAWN: JCR

SHEET NO. 5

RECEIVED: May 14, 2012



Legend

- Proposed Well
- Access Road
- Tribal

USGS 7.5' Bluebell Quadrangle

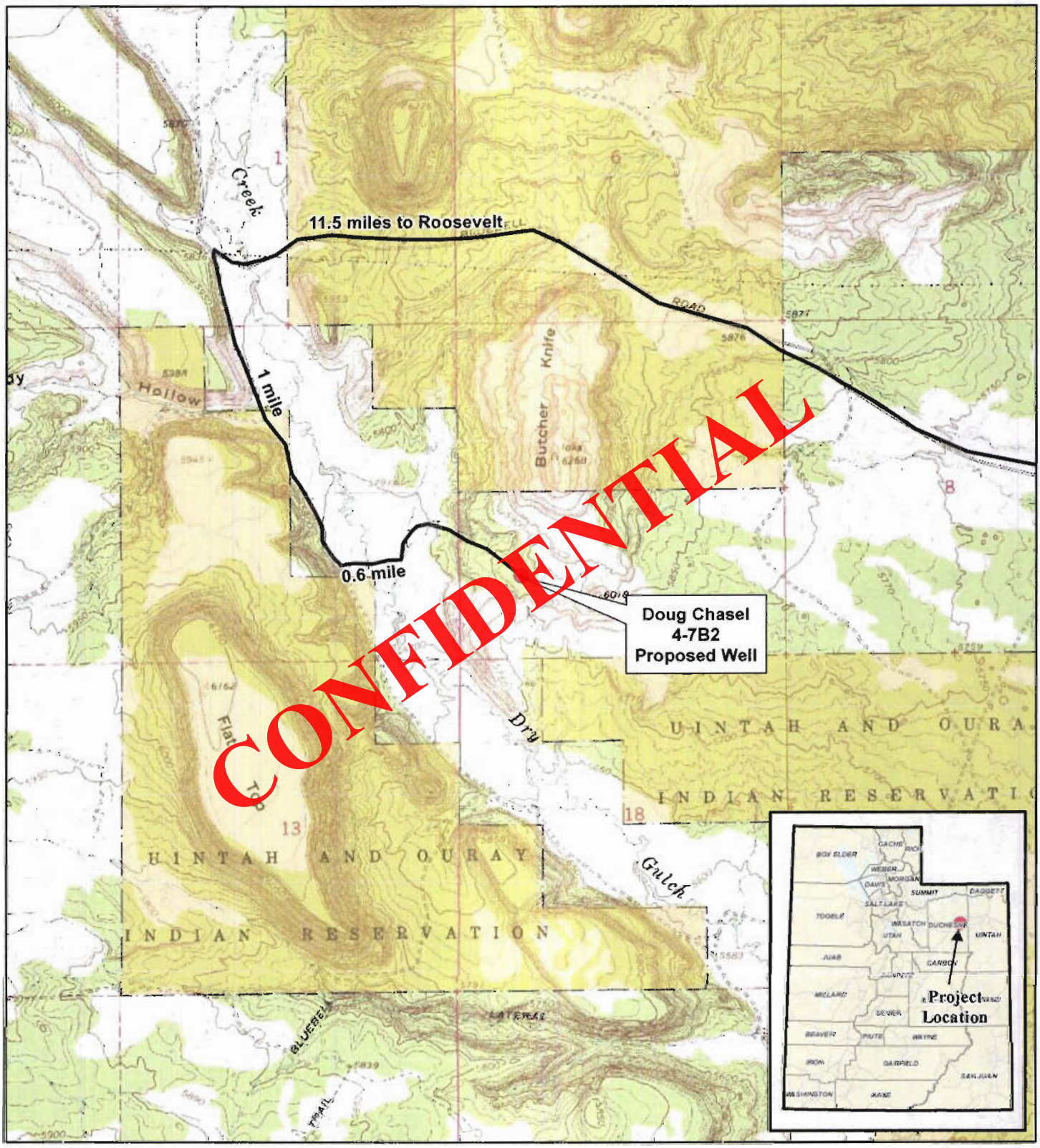
OUTLAW ENGINEERING INC.

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

ACCESS ROAD	MARCH 2012 SCALE: 1:100,000	SHEET A

RECEIVED: May 14, 2012



OUTLAW ENGINEERING INC.

Legend

- Proposed Well
- Access Road
- Tribal

USGS 7.5' Bluebell Quadrangle

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

ACCESS ROAD	MARCH 2012	SHEET B
	SCALE: 1:24,000	
	1 INCH = 2,000 FEET	

RECEIVED: May 14, 2012

Legend

- Proposed Well
- Proposed Pipeline
- Tribal

OUTLAW ENGINEERING INC.

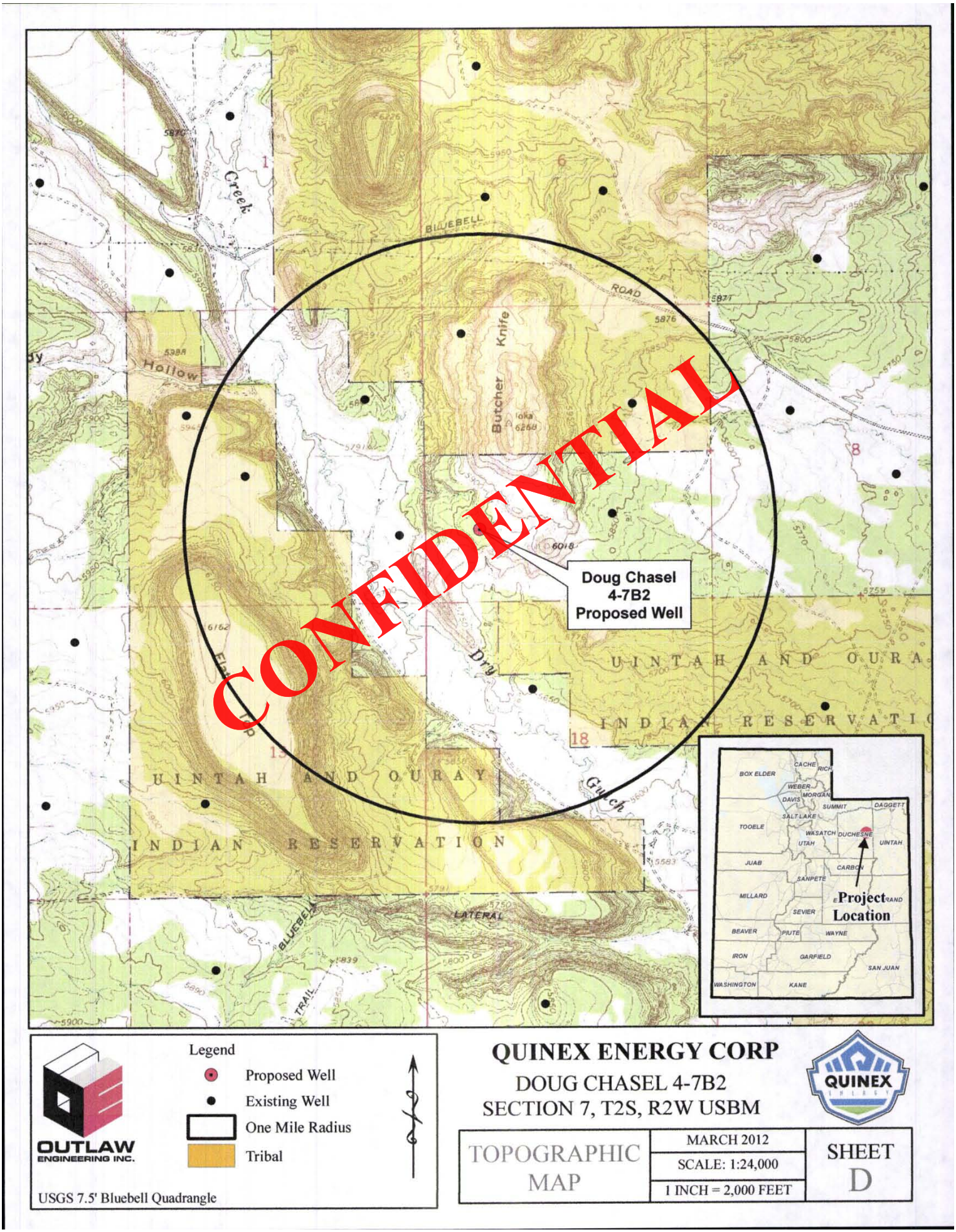
USGS 7.5' Bluebell Quadrangle

QUINEX ENERGY CORP

DOUG CHASEL 4-7B2
SECTION 7, T2S, R2W USBM

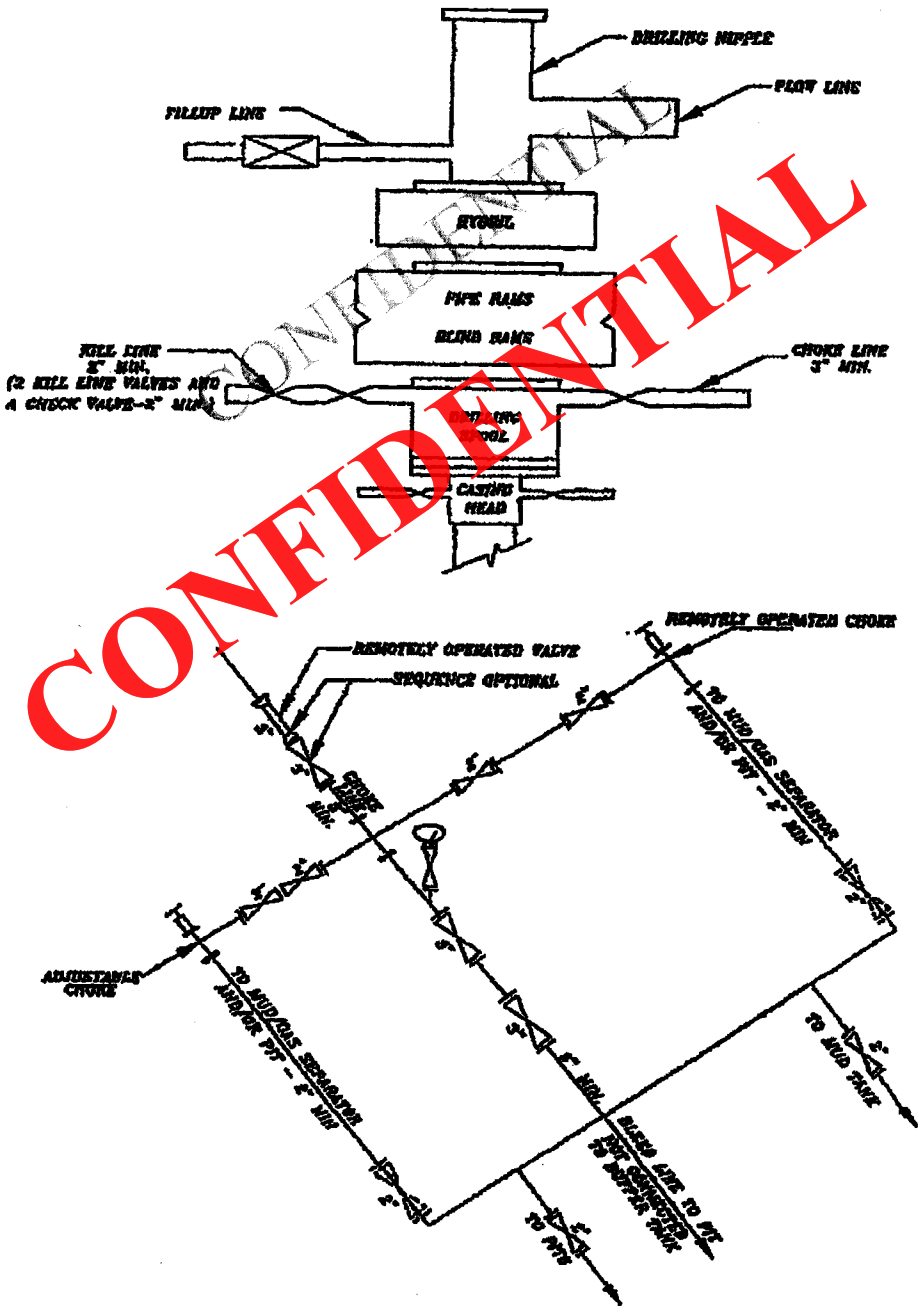
PROPOSED PIPELINE	MARCH 2012	SHEET C
	SCALE: 1:24,000	
	1 INCH = 2,000 FEET	

RECEIVED: May 14, 2012

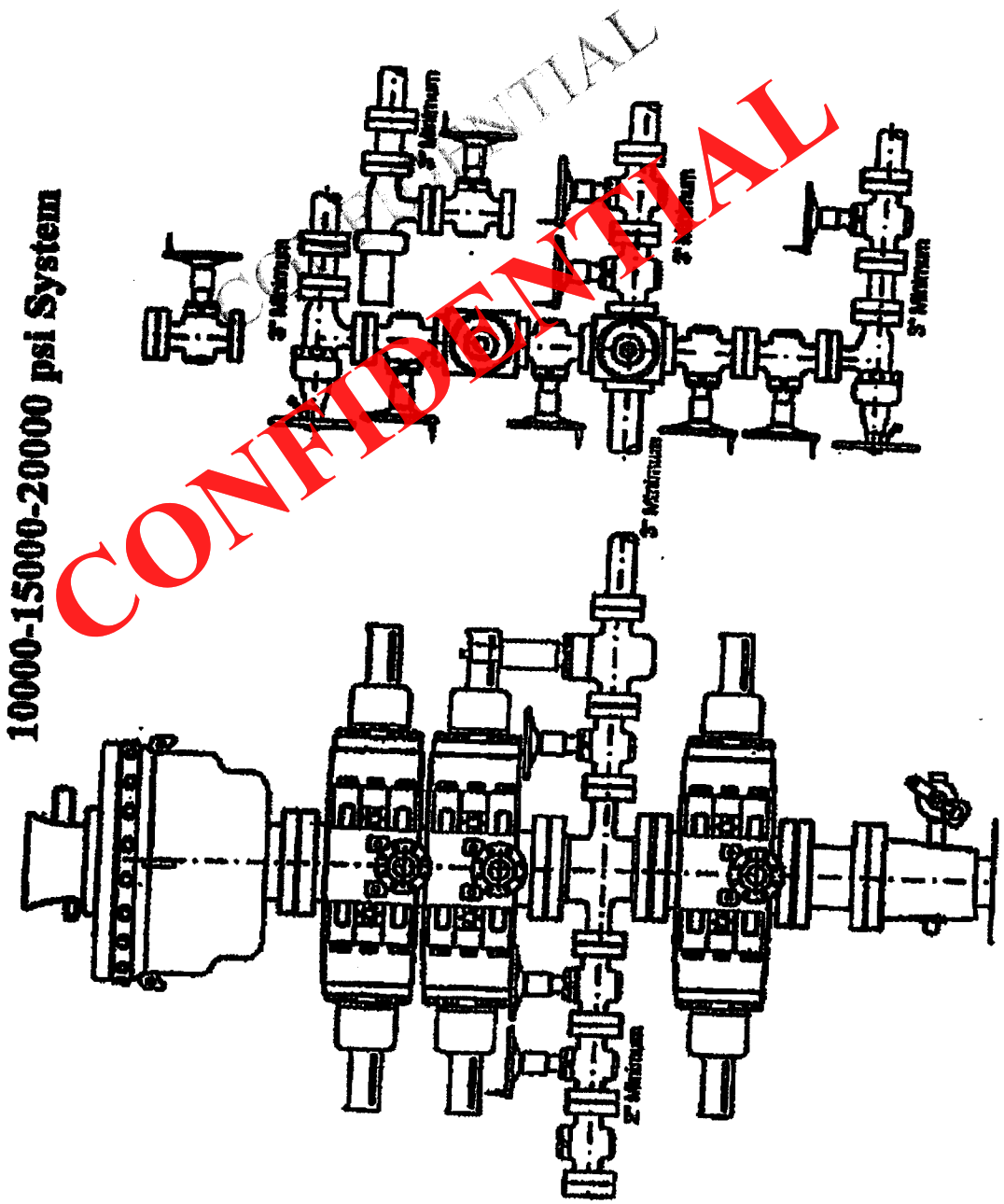


RECEIVED: May 14, 2012

5M BOP STACK and CHOKE MANIFOLD SYSTEM



CONFIDENTIAL



ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator QUINEX ENERGY CORP
Well Name Doug Chasel 4-7B2
API Number 43013513660000 **APD No** 5583 **Field/Unit** BLUEBELL
Location: 1/4,1/4 SWSW **Sec** 7 **Tw** 2.0S **Rng** 2.0W 1287 FSL 987 FWL
GPS Coord (UTM) 571526 4463553 **Surface Owner** John Chasel

Participants

Paul Wells and Brad Wells (Quinex), Richard Powell (DOGM)

Regional/Local Setting & Topography

This sites lies approximately 7.5 miles west of Roosevelt, Ut. Below this location to the west and south is a long narrow flat bottomed canyon used for farming and cattle pasture. Around this location and the general area east of the canyon is made up of steep rock ledges and small benches. The location is set one of these benches. The bench is the only site in the area large enough to fit the location without large cuts.

Surface Use Plan

Current Surface Use
Wildlfe Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.6	**Width** 322 **Length** 375	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Sage, Pinion, Juniper, tridentada, Brigham tea, green ephedra, prickly pear, mahogany

Soil Type and Characteristics

Sandy soil over exposed rock ledges

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? Y

Drainage diversion needed around east side of location

Berm Required? Y

Location must be bermed as it is poised above steep ledges

RECEIVED: May 17, 2012

Erosion Sedimentation Control Required? N

Paleo Survey Run? N **Paleo Potental Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking
Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	High permeability	20
Fluid Type	TDS>5000 and	10
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
	Final Score	35 1 Sensitivity Level

Characteristics / Requirements

The reserve pit is 110ft x 150ft x 8ft deep and is in a cut stable location. Quinex plans to use a 20mil liner.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

This well APD was originally submitted as being in Uintah County. This has now been corrected.

Richard Powell	4/12/2012
Evaluator	**Date / Time**

RECEIVED: May 17, 2012

Application for Permit to Drill
Statement of Basis

5/17/2012

Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
5583	43013513660000	LOCKED	OW	P	No
Operator	QUINEX ENERGY CORP		**Surface Owner-APD**	John Chasel	
Well Name	Doug Chasel 4-7B2		**Unit**		
Field	BLUEBELL		**Type of Work**	DRILL	
Location	SWSW 7 2S 2W U 1287 FSL 987 FWL GPS Coord (UTM) 571539E 4463553N				

Geologic Statement of Basis

Quinex proposes to set 450 feet of conductor and 4,500 feet of surface casing both of which will be cemented to surface. The surface and intermediate holes will be drilled utilizing fresh water mud. The estimated depth to the base of moderately saline ground water is 3,000 feet. A search of Division of Water Rights records indicates that there are 21 water wells within a 10,000 foot radius of the center of Section 7. One well is located within 3/4 mile of the proposed location and produces from a depth of 320 feet. Wells range in depth from 100 to 520 feet and average 250-300 feet. Listed uses are domestic, irrigation, oil exploration, municipal and stock watering. The wells in this area probably produce water from the Duchesne River Formation. The proposed casing and cement program should adequately protect the highly used Duchesne River aquifer.

Brad Hill — **APD Evaluator**

5/14/2012 — **Date / Time**

Surface Statement of Basis

This location is on fee surface with fee minerals. The surface owner is John Chasel. Mr. Chasel also has ownership interest in Quinex Energy. I spoke to Mr. Chasel and invited him to attend the onsite inspection but he stated that Quinex representative Paul Wells could represent him as the surface owner and also represent Quinex Energy. According to Mr. Wells a lot of time was spent determining the best site for this well. It appears that the site is good as it fits on a relatively flat bench and will not require large cuts. According to Mr. Wells Quinex plans to use a 20 mil liner and felt subliner and this will be adequate for this location. A drainage diversion will be required around the east side of location and the location will require a berm. These issues were discussed during the onsite and agreed to.

Richard Powell — **Onsite Evaluator**

4/12/2012 — **Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

RECEIVED: May 17, 2012

API Well Number: 43013513660000

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 4/12/2012
API NO. ASSIGNED: 43013513660000
WELL NAME: Doug Chasel 4-7B2
OPERATOR: QUINEX ENERGY CORP (N9995)
PHONE NUMBER: 801 292-3800
CONTACT: K. Michael Hebertson

PROPOSED LOCATION: SWSW 07 020S 020W
Permit Tech Review: ☑
SURFACE: 1287 FSL 0987 FWL
Engineering Review: ☑
BOTTOM: 1287 FSL 0987 FWL
Geology Review: ☑
COUNTY: DUCHESNE
LATITUDE: 40.31944
LONGITUDE: -110.15797
UTM SURF EASTINGS: 571539.00
NORTHINGS: 4463553.00
FIELD NAME: BLUEBELL
LEASE TYPE: 4 - Fee
LEASE NUMBER: Patented
PROPOSED PRODUCING FORMATION(S): WASATCH
SURFACE OWNER: 4 - Fee
COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** STATE - NZS499876
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** #43-12366 & 43-12367
- ☐ **RDCC Review:**
- ☑ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: Cause 139-84
Effective Date: 12/31/2008
Siting: 660' Fr Drl U Bdry & 1320' Fr Other Wells

- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhill

RECEIVED: May 17, 2012

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill
****

Well Name: Doug Chasel 4-7B2
API Well Number: 43013513660000
Lease Number: Patented
Surface Owner: FEE (PRIVATE)
Approval Date: 5/17/2012

Issued to:
QUINEX ENERGY CORP, 465 South 200 West, Bountiful, UT 84010

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 139-84. The expected producing formation or pool is the WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Additional Approvals:
The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at http://oilgas.ogm.utah.gov
• 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
• 24 hours prior to cementing or testing casing - contact Dan Jarvis
• Within 24 hours of making any emergency changes to the approved drilling program
- contact Dustin Doucet
• 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:
The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):
• Carol Daniels 801-538-5284 - office
• Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
• Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:
• Entity Action Form (Form 6) - due within 5 days of spudding the well
• Monthly Status Report (Form 9) - due by 5th day of the following calendar month
• Requests to Change Plans (Form 9) - due prior to implementation
• Written Notice of Emergency Changes (Form 9) - due within 5 days
• Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
• Report of Water Encountered (Form 7) - due within 30 days after completion
• Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Oil Well

8. WELL NAME and NUMBER: Doug Chasel 4-7B2

2. NAME OF OPERATOR: QUINEX ENERGY CORP

9. API NUMBER: 43013513660000

3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010

PHONE NUMBER: 801 292-3800 Ext

9. FIELD and POOL or WILDCAT: BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY: DUCHESNE

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☑ SPUD REPORT Date of Spud: 6/1/2012	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

On Friday June 1 2012, Quinex Energy Corp spudded this well and set 502 feet of 13 3/8 inch 48 pound 8 round J 55 casing as a conductor. THe pipe was cememted with 533 sx of premium "G" cement on the primary cement. The primary job fell back from surface and 58sx was added to the annulus to bring the cement to surface. Final plug down @ 8:30 PM.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 05, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
K. Michael Hebertson	801 292-3800	Geologist
SIGNATURE N/A		**DATE** 6/5/2012

RECEIVED: Jun. 05, 2012

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company; **QUINEX ENERGY CORP**

Well Name: **DOUG CHASEL 4-7B2**

Api No: **43-013-51366** Lease Type **PATENTED**

Section **07** Township **02S** Range **02W** County **DUCHESNE**

Drilling Contractor **LEON ROSS DRLG** RIG # **26**

SPUDDED:

Date **05/31/2012**

Time **8:00 AM**

How **DRY**

Drilling will Commence:

Reported by **PAUL WELLS**

Telephone # **(435) 823-5326**

Date 05/31/2012 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

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PHONE NUMBER: 801 292-3800 Ext

9. FIELD and POOL or WILDCAT: BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY: DUCHESNE

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
✓ SPUD REPORT Date of Spud: 6/22/2012	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Rotary Spud @ 2:45 PM 22 June 2012. Frontier Drilling Rig #4. Current Operation Drilling out Cement in the Conductor @ 480'

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
June 25, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
K. Michael Hebertson	801 292-3800	Geologist
SIGNATURE N/A		**DATE** 6/22/2012

RECEIVED: Jun. 22, 2012

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Oil Well

8. WELL NAME and NUMBER: Doug Chasel 4-7B2

2. NAME OF OPERATOR: QUINEX ENERGY CORP

9. API NUMBER: 43013513660000

3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010

PHONE NUMBER: 801 292-3800 Ext

9. FIELD and POOL or WILDCAT: BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY: DUCHESNE

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 7/2/2012	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See attached document.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
July 03, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
K. Michael Hebertson	801 292-3800	Geologist
SIGNATURE N/A		**DATE** 7/2/2012

RECEIVED: Jul. 02, 2012

June 28th, 2012- Ran 9 5/8 40 pound casing.

June 29th, 2012- Finished running casing 9 5/8 casing, ran to 4,527'. Cement casing with 850 sacks, lead class G 12 pound 230 sacks. Tail class G 14.2 pd with returns to surface. Cement fell, waited two hours, pumped 50 sacks to get cement back to the surface.

RECEIVED: Jul. 02, 2012

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

RECEIVED
JUN 21 2012
DIV. OF OIL, GAS & MINING

ENTITY ACTION FORM

Operator: Quinex Energy Corporation
Operator Account Number: N 9995
Address: 465 South 200 West
city Bountiful
state Ut zip 84010
Phone Number: (801) 292-3800

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301351366	Doug Chasel 4-7B2		SwSw	7	2S	2W	Duchesne
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
A	99999	18588	6/1/12			6/29/2012	

Comments: WSTC

CONFIDENTIAL

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	

Comments:

ACTION CODES:

- **A** - Establish new entity for new well (single well only)
- **B** - Add new well to existing entity (group or unit well)
- **C** - Re-assign well from one existing entity to another existing entity
- **D** - Re-assign well from one existing entity to a new entity
- **E** - Other (Explain in 'comments' section)

K. Michael Hebertson
Name (Please Print)
K Michael Hebertson
Signature
Geologist
Title
9/30/2008
Date

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
Patented

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
DOUG CHASEL 4-7B2

2. NAME OF OPERATOR:
QUINEX ENERGY CORP

9. API NUMBER:
43013513660000

3. ADDRESS OF OPERATOR:
465 South 200 West , Bountiful, UT, 84010

PHONE NUMBER:
801 292-3800 Ext

9. FIELD and POOL or WILDCAT:
BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 10/20/2012	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: First Production

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well was completed and started production to the tanks on 20 October 2012. Oil = 421 BBLSPD H2O = 513 BBLSPD Gas = 462 MCFPD On a 21/64 choke and 900 PSI pressure flowing.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
October 29, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
K. Michael Hebertson	801 292-3800	Geologist
SIGNATURE		**DATE**
N/A		10/25/2012

RECEIVED: Oct. 25, 2012

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Oil Well

8. WELL NAME and NUMBER: DOUG CHASEL 4-7B2

2. NAME OF OPERATOR: QUINEX ENERGY CORP

9. API NUMBER: 43013513660000

3. ADDRESS OF OPERATOR: 465 South 200 West , Bountiful, UT, 84010

PHONE NUMBER: 801 292-3800 Ext

9. FIELD and POOL or WILDCAT: BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY: DUCHESNE

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ NOTICE OF INTENT — Approximate date work will start:
- ✓ SUBSEQUENT REPORT — Date of Work Completion: 9/18/2012
- ☐ SPUD REPORT — Date of Spud:
- ☐ DRILLING REPORT — Report Date:

TYPE OF ACTION

☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DEEPEN	✓ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Completion Report

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See the attached completion report

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
K. Michael Hebertson	801 292-3800	Geologist
SIGNATURE N/A		**DATE** 12/6/2012

RECEIVED: Dec. 06, 2012

Well Name:

Date:

Stage 1			Open Hole Depths			Cased Hole Depths				
Gun Size	spf	Total	Top	Bottom	Correction	Top	Bottom	Offset	CCL Depth	Polarity
Stage 1										
6	4	24	13576	13582	-3	13573	13579	-24	13549	**Negative**
1	4	4	13549	13550		13549	13550	-21.5	13527.5	**Positive**
4	4	16	13508	13512		13508	13512	-15.5	13492.5	**Negative**
4	4	16	13440	13444	-1	13439	13443	-9.5	13429.5	**Positive**
5	4	20	13423	13428	-1	13422	13427	-2.5	13419.5	**Negative**
0		0				0	0		0	**Positive**
0		0		20		0	20 0		0	**Negative**
0		0				0	0		0	**Positive-Bull Plug**
Stage 2										
Plug		#####	13390	Plug		13390	Plug	-41	13349	**Positive-Plug Shoot**
5	4	20	13331	13336		13331	13336	-25.5	13305.5	**Negative**
7	4	28	13321	13328		13321	13328	-16.5	13304.5	**Positive**
2	4	8	13202	13204	-1	13201	13203	-12.5	13188.5	**Negative**
2	4	8	13188	13190	-1	13187	13189	-8.5	13178.5	**Positive**
4	4	16	13120	13124	1	13121	13125	-2.5	13118.5	**Negative**
0		0		20		0	0		0	**Positive**
0		0				0	0		0	**Negative**
									0	**Positive**
Stage 3										
Plug		#####	13060	Plug		13060	Plug	-45	13015	**Positive-Plug Shoot**
3	4	12	12993	12996	-1	12992	12995	-31.5	12960.5	**Negative**
5	4	20	12955	12960	-1	12954	12959	-24.5	12929.5	**Positive**
4	4	16	12934	12938	-1	12933	12937	-18.5	12914.5	**Negative**
4	4	16	12926	12930	-1	12925	12929	-12.5	12912.5	**Positive**
2	4	8	12910	12912	-1	12909	12911	-8.5	12900.5	**Negative**
4	4	16	12806	12810	-1	12805	12809	-2.5	12802.5	**Positive**
0		0		22		0	0		0	**Negative**
									0	**Positive**
Stage 4										
Plug		#####		Plug		0	Plug	-39	-39	**Positive-Plug Shoot**
8	4	32	12302	12310	-1	12301	12309	-20.5	12280.5	**Negative**
4	4	16	12274	12278		12274	12278	-14.5	12259.5	**Positive**
4	4	16	12226	12230		12226	12230	-8.5	12217.5	**Negative**
4	4	16	12188	12192		12188	12192	-2.5	12185.5	**Positive**
0		0		26		0	0		0	**Negative**
0		0				0	0		0	**Positive**
0		0				0	0		0	**Negative**
									0	**Positive**

Stage 5										
Plug		#####	12168	Plug		12168	Plug	-42	12126	Positive-Plug Shoot
3	4	12	12126	12129		12126	12129	-28.5	12097.5	Negative
4	4	16	12094	12098	-1	12093	12097	-22.5	12070.5	Positive
10	4	40	12060	12070	-1	12059	12069	-10.5	12048.5	Negative
3	4	12	11880	11883		11880	11883	-5.5	11874.5	Positive
1	4	4	11845	11846	-1	11844	11845	-2.5	11841.5	Negative
0		0				0	0		0	Positive
0		0		21		0	0		0	Negative
2941									0	Positive

Stage 6										
Plug		#####		Plug		0	Plug	-40	-40	Positive-Plug Shoot
6	4	24	11637	11643	-1	11636	11642	-22.5	11613.5	Negative
7	4	28	11570	11577	-2	11568	11575	-13.5	11554.5	Positive
100 4	4	16	11564	11568	-2	11562	11566	-7.5	11554.5	Negative
3	4	12	11543	11546	-2	11541	11544	-2.5	11538.5	Positive
0		0		20		0	0		0	Negative
0		0				0	0		0	Positive
0		0				0	0		0	Negative
									0	Positive

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
bottom	13576	13582	6	0.34	4	24
	13549	13550	1	0.34	4	4
Stg 1	13508	13512	4	0.34	4	16
	13440	13444	4	0.34	4	16
top	13423	13428	5	0.34	4	20
					Total	80

28# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control
+ 200 MR biosealers in 15% HCl
FG= .92
BHT = 242

7" 29# 0-10471'
5" 18# 10471-13850

	Ramp Schedule Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		19081	30
Start X-Link Gel Spacer		5000	60
.5# 100 Mesh	2500	5000	60
Pad		5000	60
1# Bauxite	9000	9000	60
2# Bauxite	21000	10500	60
3# Bauxite	24000	8000	60
4# Bauxite	6000	1500	60
Flush		18539	60
Total	62500	87620	

BBLs 2086

492 TOTAL PERFS

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
	13331	13336	5	0.34	4	20
	13321	13328	7	0.34	4	28
Stg 2	13188	13190	2	0.34	4	8
	13202	13204	2	0.34	4	8
	13120	13124	4	0.34	4	16
					Total	80

28# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control + 200 MR biosealers in 15% HCl

FG= .92
BHT = 238

7" 29# 0-10471'
5" 18# 10471-13850

Ramp Schedule

	Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		18896	30
Start XL-Gel Spacer		5000	60
.5# 100 Mesh	3000	6000	60
Pad		5000	60
1# Bauxite	11250	11250	60
2# Bauxite	26250	13125	60
3# Bauxite	30000	10000	60
4# Bauxite	7500	1875	60
Flush		18312	60
Total	78000	95458	

BBLs 2273

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
Stg 3	12993	12996	3	0.34	4	12
	12955	12960	5	0.34	4	20
	12934	12938	4	0.34	4	16
	12926	12930	4	0.34	4	16
	12910	12912	2	0.34	4	8
	12806	12810	4	0.34	4	16
					Total	88

28# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control + 200 MR biosealers in 15% HCl

FG= .92 — 7" 29# 0-10471'

BHT = 235 — 5" 18# 10471-13850

	Ramp Schedule Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		18640	30
Start XL-Gel Spacer		5000	60
.5# 100 Mesh	9500	19000	60
Pad		5000	60
1# Bauxite	21000	21000	60
2# Bauxite	49000	24500	60
3# Bauxite	56000	18667	60
4# Bauxite	14000	3500	60
Flush		18081	60
Total	149500	139388	

BBLs 3319

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
Stg 4	12302	12310	8	0.34	4	32
	12274	12278	4	0.34	4	16
	12226	12230	4	0.34	4	16
	12188	12192	4	0.34	4	16
					Total	80

26# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control + 200 MR biosealers in 15% HCl

FG = .92
BHT = 227

7" 29# 0-10471'
5" 18# 10471-13850

Ramp Schedule

	Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		18131	30
Start XL-Gel Spacer		5000	60
.5# 100 Mesh	7000	14000	60
Pad		5000	60
1# Bauxite	17250	17250	60
2# Bauxite	40250	20125	60
3# Bauxite	46000	15333	60
4# Bauxite	11500	2875	60
Flush		18081	60
Total	122000	121795	

BBLs 2900

Stage #4 Sand Frac was not pumped acid treatment only for this stage. Leakoff was the reason it was not pumped.

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
	12126	12129	−3	0.34	4	12
	12094	12098	+4	0.34	4	16
Stg 5	12060	12070	−10	0.34	4	40
	11880	11883	+3	0.34	4	12
	11845	11846	− 1	0.34	4	4
					Total	84

26# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control + 200 MR biosealers in 15% HCl

FG=.92 — 7" 29# 0-10471'

BHT = 224 — 5" 18# 10471-13850

Ramp Schedule

	Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		17993	30
Start XL-Gel Spacer		5000	60
.5# 100 Mesh	10000	20000	60
Pad		5000	60
1# Bauxite	21750	21750	60
2# Bauxite	50750	25375	60
3# Bauxite	58000	19333	60
4# Bauxite	14500	3625	60
Flush		17362	60
Total	155000	141438	

BBLs 3368

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
	11637	11643	-6	0.34	4	24
	11570	11577	+7	0.34	4	28
Stg 6	11564	11568	-4	0.34	4	16
	11543	11546	+3	0.34	4	12
					Total	80

24# Borate X-Link w/clay protection,scale control, surfactant, and bacteria control + 200 MR biosealers in 15% HCl

FG = .92
BHT = 219

7" 29# 0-10471'
5" 18# 10471-13850

Ramp Schedule

	Proppant(lbs)	Clean Volume(gal)	Rate(BPM)
Water Injection		1000	10
15% HCl		5000	20
Acid Flush		17632	30
Start XL-Gel Spacer		5000	60
.5# 100 Mesh	7500	15000	60
Pad		5000	60
1# Bauxite	18750	18750	60
2# Bauxite	43750	21875	60
3# Bauxite	50000	16667	60
4# Bauxite	12500	3125	60
Flush		17056	60
Total	132500	126105	

BBLs 3002

RECEIVED
DEC 10 2012
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

5. LEASE DESIGNATION AND SERIAL NUMBER: FEE

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME:

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: Doug Chasel 4-7B2

2. NAME OF OPERATOR: Quinex Energy Corporation

9. API NUMBER: 4301351366

3. ADDRESS OF OPERATOR: 465 South 200 West CITY Bountiful STATE UT ZIP 84010

PHONE NUMBER: (801) 292-3800

10 FIELD AND POOL, OR WILDCAT: Altamont/Bluebell

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1287 FSL 987 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same as above
AT TOTAL DEPTH: Same as above

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 7 2s 2W

12. COUNTY: Duchesne

13. STATE: UTAH

14. DATE SPUDDED: 6/11/2012

15. DATE T.D. REACHED: 7/26/2012

16. DATE COMPLETED: 9/18/2012 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 5880 GL 5904 KB

18. TOTAL DEPTH: MD 13,800 TVD 13,800

19. PLUG BACK T.D.: MD TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? * 6 Stages

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Platform Express, Elemental Spectroscopy, Combinable Magnetic Resonance, Spectral Gamma Ray, CBL,

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	13.375 H40	48.0#	0	450		G 300		Surface	see att
12.25"	9.625 K55	40.0#	0	4,500		G 850		Surface	see att
8.75"	7.0 P110	26.0#	0	10,757		G 570		4300	see att
6.25	5.0 P110	18.0#	10,500	13,800		G 350		11,100	see att

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS / **27. PERFORATION RECORD**

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
(A) Wasatch "B"	11,776	13,582	11,776	13,582	13,582	11,776	.38	412	Open ☑ Squeezed ☐
(B) Wasatch	11,776	10,800	11,776	10,800	11,776	11,543	.38	80	Open ☑ Squeezed ☐
(C)									Open ☐ Squeezed ☐
(D)									Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
11543 - 13582	32500 lbs. 100 Mesh & 545000 lbs. Bauxite. SEE THE ATTACHED

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER: See Attached

30. WELL STATUS: POW

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
10/20/2012		9/20/2012		24			421	513	462	Flowing
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
21/64		900	56.00				421	513	462	Flowing

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Duchesne River	0	3,556	Mudstone & Sandstone, Water	Uintah	0
Uintah	3,556	7,176	Mudstone, Sandstone, Limestone H2O	Green River	3,556
Green River	7,176	9,925	Mudstone, Sandstone, Shale, Oil H2O	Green River "H"	9,005
Wasatch Trans	9,925	10,292	Mudstone, Sandstone, Shale, Oil H2O	Wasatch Transition	9,925
Wasatch	10,292	13,800	Mudstone, Sandstone, Shale, Oil H2O	Wasatch "B"	11,776

35. ADDITIONAL REMARKS (Include plugging procedure)

Details of the Well Stimulation and Perforations are attached. Mudlog is attached, Cement details are attached.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) K MICHAEL HEBERTSON TITLE GEOLOGIST

SIGNATURE K Michael Hebertson DATE 6/DEC/2012

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

RECEIVED

DEC 1 0 2012

DIV. OF OIL, GAS & MINING

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *– Other instructions on page 2.*

5. Lease Serial No.
Fee

6. If Indian, Allottee or Tribe Name
14-20-H62-3990

7. If Unit of CA/Agreement, Name and/or No.
UTU60875

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Doug Chasel 4-7B2

2. Name of Operator
Quinex Energy Corporation

9. API Well No.
43-013-51366

3a. Address
465 South 200 West Bountiful Utah, 84010

3b. Phone No. *(include area code)*
801-292-3800

10. Field and Pool or Exploratory Area
Altamont/Bluebell

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
1287 FSL 987 FWL, SWSW, Sec. 7, T2S, R2W, Duchesne County UT

11. Country or Parish, State
Duchesne

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Site Security
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The Doug Chasel well is drilled on a fee lease but is within a CA Administered by the BLM and the Ute Indian Tribe for the production from section 7. As a courtesy Quinex Energy respectfully submits 2 copies of the Site Security Diagram.
The date of first production was 18-September 2012

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
K. Michael Hebertson

Title Geologist

Signature K Michael Hebertson

Date 12/06/2012

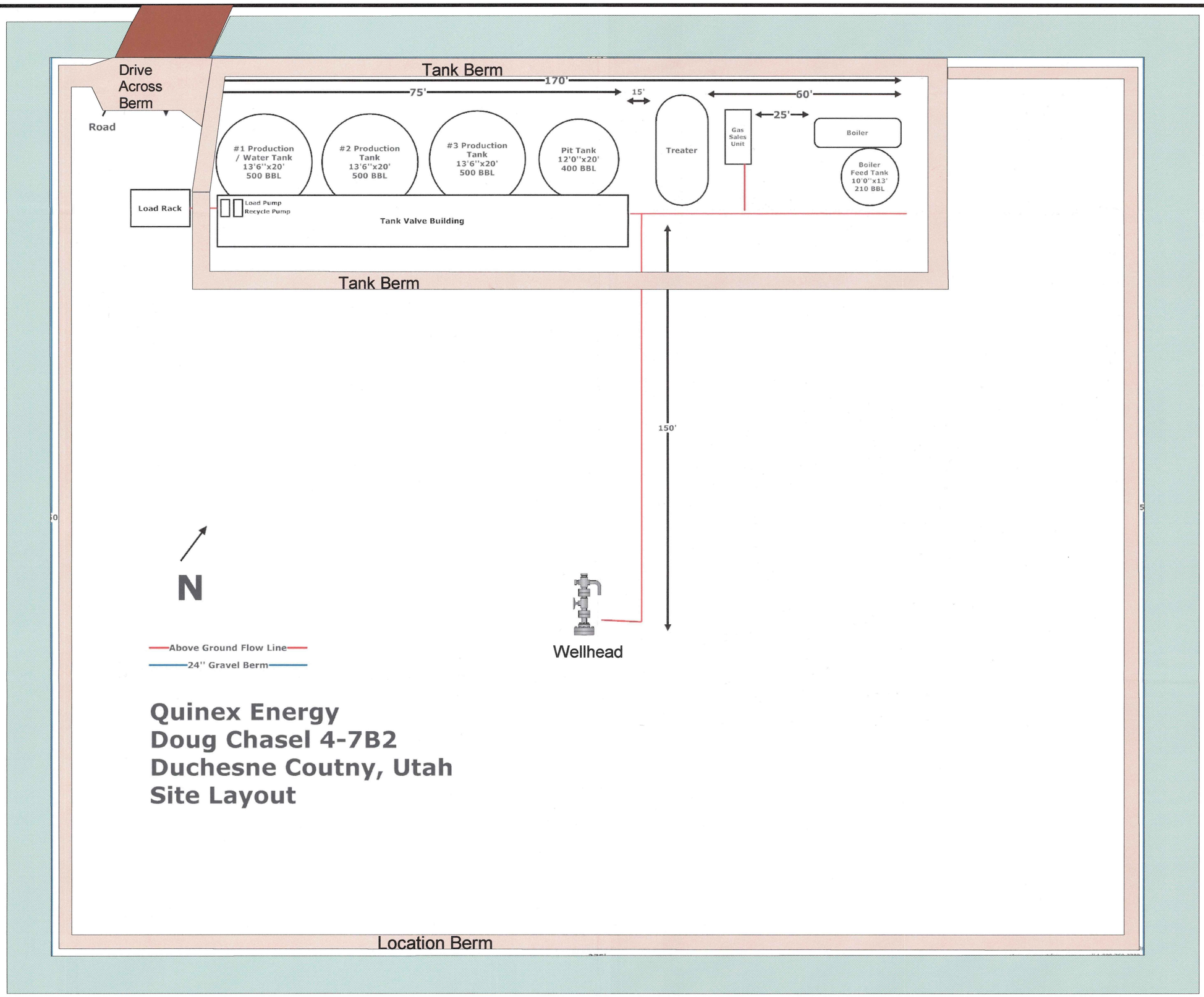
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

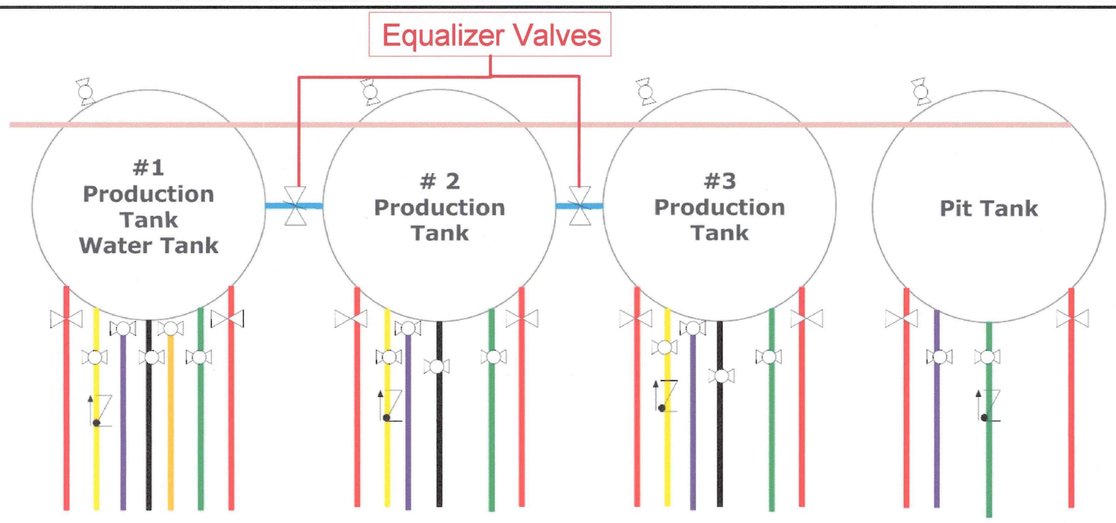
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL OVERVIEW



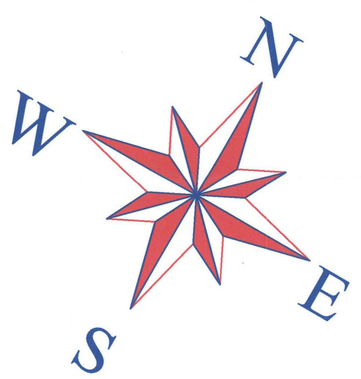


2'' Steam Line
3'' Drain Line
3'' Recycle Line
3'' Production Line
4'' Load Line
2'' Water Line
6'' Equalizer Line
6'' Vent Line
Bundle

Ball Valve
Gate Valve
Butterfly Valve
Check Valve

TANK BATTERY AND PIPING DETAIL

Quinex Energy
Doug Chasel 4-7B2
Duchesne County, Utah
Tank Diagram



RECEIVED
DEC 10 2012
DIV. OF OIL, GAS & MINING

Site Security Diagram

Doug Chasel 4-7B2
Sec. 4, T2S, R2W
Duchesne, County
43-013-51366

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: FEE

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 14-20-H62-3990

7. UNIT or CA AGREEMENT NAME: UTU60875

8. WELL NAME and NUMBER: Doug Chasel 4-7B2

9. API NUMBER: 43-013-51366

10 FIELD AND POOL, OR WILDCAT: Altamont Bluebell

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 7 2S 2W U

12. COUNTY: Duchesne

13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ DRY ☐ OTHER

b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☑ OTHER

2. NAME OF OPERATOR: Quinex Energy Corporation

3. ADDRESS OF OPERATOR: 465 South 200 West CITY Bountiful STATE Ut ZIP 84010 PHONE NUMBER: 801-292-3800

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1287 FSL 987 FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same as above
AT TOTAL DEPTH: Same as above

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:			17. ELEVATIONS (DF, RKB, RT, GL):
6/11/2012	7/26/2012	4/10/2014	ABANDONED ☐	READY TO PRODUCE ☑	5880 GL 5904 KB

18. TOTAL DEPTH:	19. PLUG BACK T.D.:	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET:
MD 13,800 TVD 13,800	MD TVD		MD 11,600 TVD 11,600

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	13.375 H40	48.0#	0	450		G 300		Surface	
12.25"	9.625 K55	40.0#	0	4,500		G 850		Surface	
8.75"	7.0 P110	26.0#	0	10,757		G 570		4,300	
6.5"	5.0 P110	18.0#	10,500	13,800		G 350		11,110	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Green River	7,176	9,925	7,176	9,925
(B) Wasatch	10,292	13,800	10,292	13,800
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
8,738	8,949	.34	96	Open ☑ Squeezed ☐
9,020	9,129	.34	80	Open ☑ Squeezed ☐
9,233	9,457	.34	84	Open ☑ Squeezed ☐
11,321	11,575	.34	80	Open ☑ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

WAS WELL HYDRAULICALLY FRACTURED? YES ☑ NO ☐ IF YES – DATE FRACTURED: 4/10/2014

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
9,020-11,575	12673# 100 MESH, 312866# 20/40 PRC Premium, 159514# 20/40 Premium
	See attached

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS:

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
4/11/2014	4/12/2014	24		225	160	287	Flowing

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
18		150	38.00	1428			225	160	287	Flowing

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

Sold

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.
Duchesne River	0	3,556	Mudstone & Sandstone, Water
Uintah	3,556	7,176	Mudstone, Sandstone, Limestone, H2C
Green River	7,176	9,925	Mudstone, Sandstone, Shale, Oil, H2O
Wasatch Trans.	9,925	10,292	Mudstone, Sandstone, Shale, Oil, H2O
Wasatch	10,292	13,800	Mudstone, Sandstone, Shale, Oil, H2O

34. FORMATION (Log) MARKERS:

Name	Top (Measured Depth)
Uintah	0
Green River	3,556
Green River"H"	9,005
Wasatch Transition	9.925
Wasatch "B"	11,776

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Brad Wells TITLE Field Office Manager

SIGNATURE _____ DATE 8/20/2014

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

Doug Chasel 4-7B2
43-013-51366
20-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
	8947	8949	2	0.34	4	8
	8918	8919	1	0.34	4	4
Stg 10	8895	8899	4	0.34	4	16
	8876	8877	1	0.34	4	4
	8859	8864	5	0.34	4	20
	8843	8845	2	0.34	4	8
	8809	8811	2	0.34	4	8
	8738	8745	7	0.34	4	28
					Total	96

Treatment Quantities Pumped:

Treated Water
15331 gallons
HCL HYDROCHLORIC ACID - SBM (341682)
5032 gallons
HYBOR G 25# - SBM (2113)
10056 gallons
HYBOR G 25# - SBM (2113) carrying 21.04 100*lb of SAND - PREMIUM - 100 MESH, BULK, SK(100003676)
7325 gallons
HYBOR G 25# - SBM (2113) carrying 790.47 100*lb of SAND - PREMIUM - 20/40, BULK, SK(101272933)
45136 gallons
HYBOR G 25# - SBM (2113) carrying 250.84 100*lb of SAND - PRC PREMIUM - 20/40, BULK, SK(101357932)
7968 gallons
FR-56 WATER - SBM (467131)
13336 gallons

Doug Chasel 4-7B2
43-013-51366
20-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
Stg 9	9126	9129	3	0.34	4	12
	9094	9096	2	0.34	4	8
	9046	9056	10	0.34	4	40
	9020	9025	5	0.34	4	20
					Total	80

Treatment Quantities Pumped:

Treated Water
15029 gallons
HCL HYDROCHLORIC ACID - SBM (341682)
5114 gallons
HYBOR G 25# - SBM (2113)
10130 gallons
HYBOR G 25# - SBM (2113) carrying 25.25 100*lb of SAND - PREMIUM - 100 MESH, BULK, SK(100003676)
7033 gallons
HYBOR G 25# - SBM (2113) carrying 804.67 100*lb of SAND - PREMIUM - 20/40, BULK, SK(101272933)
45138 gallons
HYBOR G 25# - SBM (2113) carrying 300.28 100*lb of SAND - PRC PREMIUM - 20/40, BULK, SK(101357932)
8794 gallons
FR-56 WATER - SBM (467131)
14159 gallons

Doug Chasel 4-7B2
43-013-51366
20-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
Stg 8	9451	9457	6	0.34	4	24
	9396	9402	6	0.34	4	24
	9321	9325	4	0.34	4	16
	9286	9289	3	0.34	4	12
	9261	9262	1	0.34	4	4
	9233	9234	1	0.34	4	4
					Total	84

Treatment Quantities Pumped:

Treated Water
16159 gallons
HCL HYDROCHLORIC ACID - SBM (341682)
5022 gallons
HYBOR G 25# - SBM (2113)
10110 gallons
HYBOR G 25# - SBM (2113) carrying 61.63 100*lb of SAND - PREMIUM - 100 MESH, BULK, SK(100003676)
18291 gallons
HYBOR G 25# - SBM (2113) carrying 1514.29 100*lb of SAND - PRC PREMIUM - 20/40, BULK, SK(101357932)
71038 gallons
FR-56 WATER - SBM (467131)
14383 gallons

Doug Chasel 4-7B2
43-013-51366
7-2S-2W

	Perfs		Ft	Perf Dia	Shot/FT	# Perfs
Stg 7	11571	11575	4	0.34	4	16
	11562	11566	4	0.34	4	16
	11542	11545	3	0.34	4	12
	11432	11437	5	0.34	4	20
	11327	11329	2	0.34	4	8
	11321	11323	2	0.34	4	8
					Total	80

Treatment Quantities Pumped:

Treated Water
23730 gallons
HCL HYDROCHLORIC ACID - SBM (341682)
5031 gallons
HYBOR G 25# - SBM (2113)
11547 gallons
HYBOR G 25# - SBM (2113) carrying 18.81 100*lb of SAND - PREMIUM - 100 MESH, BULK, SK(100003676)
12127 gallons
HYBOR G 25# - SBM (2113) carrying 1063.25 100*lb of SAND - PRC PREMIUM - 20/40, BULK, SK(101357932)
53246 gallons
FR-56 WATER - SBM (467131)
17019 gallons

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: Patented

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
DOUG CHASEL 4-7B2

2. NAME OF OPERATOR:
QUINEX ENERGY CORP

9. API NUMBER:
43013513660000

3. ADDRESS OF OPERATOR:
465 South 200 West , Bountiful, UT, 84010

PHONE NUMBER:
801 292-3800 Ext

9. FIELD and POOL or WILDCAT:
BLUEBELL

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1287 FSL 0987 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SWSW Section: 07 Township: 02.0S Range: 02.0W Meridian: U

COUNTY:
DUCHESNE

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/14/2016	✓ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	✓ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Clean out

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Quinex Energy is proposing to try to increase production on this well. We are proposing to do a clean out run to 12,200', check for water zones on the bottom end of the well, and then if conditions are right, do a 10,000 gallon acid wash job on the lower perforations of the well. The well will then be put back on line.

Approved by the Utah Division of Oil, Gas and Mining
September 14, 2016
Date:
By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Brad Wells	435 823-5323	Field Office Manager
SIGNATURE		**DATE**
N/A		9/12/2016

RECEIVED: Sep. 12, 2016